

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Telecommunications Relay Services and)	CG Docket No. 03-123
Speech-to-Speech Services for)	
Individuals with Hearing and Speech)	
Disabilities)	
)	

**Interstate Telecommunications Relay Services Fund
Payment Formula and Fund Size Estimate**

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Harrisburg, PA 17101
April 30, 2012

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Structure and Practices of the Video Relay)	CG Docket No. 10-51
Service Program)	
)	
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**Payment Formula and Fund Size Estimate
Interstate Telecommunications Relay Services (TRS) Fund
For July 2012 through June 2013**

I. Introduction

Rolka Loube Saltzer Associates LLC (RLSA), as Interstate Telecommunications Relay Services (TRS) Fund Administrator (the Administrator), herein submits proposed compensation rates, demand projections, projected fund size and proposed carrier contribution factor for the period July 2012 through June 2013, in accordance with section 64.604 of the Federal Communications Commission's (FCC or Commission) rules.¹

¹ 47 C.F.R. §64.604 (c)(5)(iii)(H).

In accordance with the Commission 2007 *Cost Recovery Order*,² the Administrator has used the Multi-state Average Rate Structure (MARS) methodology, based on the weighted average of competitively bid state rates, to propose compensation rates for interstate traditional TRS, interstate Speech-to-Speech (STS), interstate Captioned Telephone Service (CTS), and inter- and intrastate Internet Protocol (IP) CTS.

For IP Relay Service the Administrator has provided updated rates based on the price cap structure adopted by the Commission in the *Cost Recovery Order*, using the 2010-2011 IP Relay rate as the base rate for a three-year cycle that will expire June 30, 2013.³

The Administrator is not providing VRS rate recommendations herein,⁴ rather the Fund projection has been calculated based on the continuation of the interim rates established by the commission.

The Administrator projects a total fund cash requirement for Fiscal Year 2012-2013 of \$711.4 million.⁵ Calendar year 2011 interstate and international end user revenues estimated by the DCA totaled \$67.6 billion. The contribution factor for the 2012-2013 fund year, derived from the ratio of estimated fund size to prior calendar year

² Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123, Report and Order and Declaratory Ruling, 22 FCC Rcd 20140 (2007) (Cost Recovery Order)

³ Telecommunications Relay Services and Speech-to-Speech for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123, Order, 25 FCC Rcd 8689 (2010) (2010 Rate Order)

⁴ Structure and Practices of the Video Relay Service Program, CG Docket No. 10-51, Telecommunications Relay Services and Speech-to-Speech for Individuals with Hearing and Speech Disabilities; CG Docket No. 03-123, FCC 11-184 Rel. 12/15/2011, The Commission stated in the 2011 VRS Rate Order that the interim rates currently in effect would “be in effect on an interim basis until the Commission completes its examination of VRS rates and compensation as part of the 2010 VRS NOI proceeding” because “extending the current interim rates and compensation structure temporarily provided the best means to ensure stability and certainty for VRS while the Commission continues to evaluate the issues and the substantial record developed in response to the 2010 VRS NOI proceeding.”

⁵ To calculate the VRS portion of the proposed 2012-2013 total fund size, the Administrator used 2011-2012 VRS rates in conjunction with demand projections.

revenues, is proposed to be 0.01053. Upon approval by the Commission, the fund Administrator will begin billing carriers for the 2012 – 2013 funding period in July 2012.

II. Interstate TRS Fund Overview

The Interstate TRS Fund (TRS Fund) is designed to compensate eligible relay service providers⁶ for the reasonable costs of furnishing “[t]elephone transmission services that provide the ability for an individual who has a hearing or speech disability to engage in communications by wire or radio with a hearing individual in a manner that is functionally equivalent to the ability of an individual who does not have a hearing or speech disability to communicate using voice communications services by wire or radio.”⁷

Services that are currently compensated from the TRS Fund include interstate traditional TRS, interstate captioned telephone service (CTS), interstate speech-to-speech (STS), and both intrastate and interstate video relay service (VRS), Internet protocol (IP) relay service, and IP captioned telephone service (IP CTS). The Administrator reimburses providers at compensation rates computed by the Administrator in accordance with Commission rules, and approved or modified by the Commission. In 2007 the Commission’s *Cost Recovery Order* adopted methodologies for establishing the reimbursement rates for the various relay services.⁸ In June 2008 the Commission also

⁶ Eligible providers are defined as (1) TRS facilities operated under contract with and/or by certified state TRS programs pursuant to section 64.605; or (2) TRS facilities owned by or operated under contract with a common carrier providing interstate services pursuant to section 64.604; or (3) interstate common carriers offering TRS pursuant to section 64.604; or (4) Video Relay Service (VRS) and Internet Protocol (IP) Relay providers certified by the Commission pursuant to § 64.606.

⁷ 47 C.F.R. 64.601(21) Definition of Telecommunications Relay Services.

⁸ The methodologies included price caps for IP Relay and a tiered rate structure for VRS. The Commission set IP Relay and VRS rates for a period of 3 years and confirmed that the initial year for the applicability of the rates was the 2007-2008 fund year. Thus, the initial three year period for the IP and VRS methodologies sunset as of June 30, 2010. See *Cost Recovery Order* ¶¶ 97, 107-108. In the *2010 Rate*

authorized providers' reimbursement for costs associated with implementation of 10-digit numbering and E-911 for relay services.⁹ In the *2010 Rate Order* the Commission approved the Administrator's proposal to include the costs associated with ongoing maintenance of 10-digit numbering and E-911 for relay services as a per-minute additive to the relay service reimbursement rate base year calculation. The Bureau's Order of June 28, 2010 adopted this methodology for the current and future fund years.¹⁰

The Commission's shared funding mechanism for the TRS Fund ensures that the costs of meeting relay service obligations are borne equitably. Interstate telecommunications common carriers contribute to the TRS Fund on the basis of their relative share of interstate and international end user revenues.¹¹ The TRS funding period commences on July 1 and ends June 30 of the following calendar year. For the July 2012 to June 2013 fund year, the Administrator will use the carriers' 2011 interstate and international end user revenues¹² as the basis for calculating carriers' contributions. The preliminary report of the Data Collection Agent of Carriers' reported 2011 revenues were

Order the Commission initiated a new 3-year cycle for IP Relay rates and adopted interim, one-year rates for VRS, for effect while the Commission considered broad reform, which is still pending.

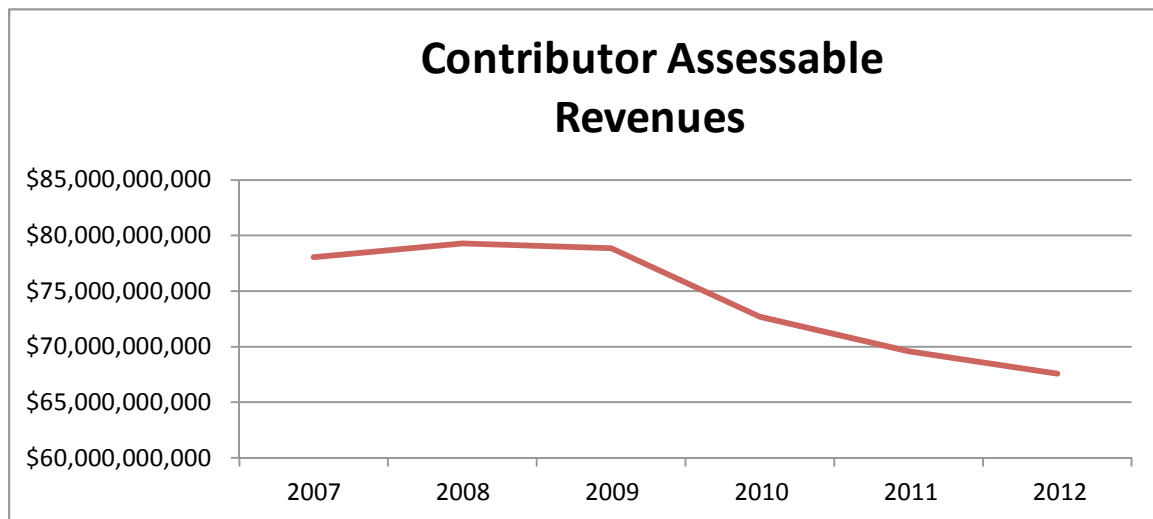
⁹ Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123; E911 Requirements for IP-Enabled Service Providers, WC Docket No. 05-196, Report and Order and Further Notice of Proposed Rulemaking, 23 FCC Rcd 11591 (2008) (TRS Numbering Order) at ¶¶ 96-101

¹⁰ 2010 Rate Order at ¶ 25

¹¹ See 47 C.F.R. §64.604(c)(5)(iii)(A)-(C). Every carrier providing interstate telecommunications services (including interconnected VoIP service providers pursuant to §64.601(b)) and every provider of non-interconnected VoIP service shall contribute to the TRS Fund on the basis of interstate end-user revenues as described herein. Contributions shall be made by all carriers who provide interstate services, including, but not limited to, cellular telephone and paging, mobile radio, operator services, personal communications service (PCS), access (including subscriber line charges), alternative access and special access, packet-switched, WATS, 800, 900, message telephone service (MTS), private line, telex, telegraph, video, satellite, intraLATA, international and resale services.

¹² Revenues are reported on the Telecommunications Reporting Worksheet, FCC Form 499-A, on April 1, 2012, and provided to the Administrator by the Universal Service Administrative Company (USAC), the Revenue Data Collection Agent (DCA). At the time of preparation of this filing the information from the DCA is considered preliminary and updated data will be used for the calculation of carrier contributions.

\$67.6 billion, approximately \$2 billion (3%) lower than the amount used to calculate contributions for 2011 – 2012 Fund year.



Upon approval of the contribution factor by the Commission, the Administrator will promptly bill carriers for the 2012 – 2013 funding period which begins July 2012. Annual contributions will be due July 27th. Carriers, whose contributions are \$1,200 or more, will be invoiced in twelve equal monthly installments. With the exception of invoices issued in July, invoices will be due four weeks after the issue date of the monthly invoice. RLSA has assigned each monthly contributor to one of four monthly invoice cycles and issues approximately one quarter of the monthly Invoices on the first four Fridays of each month.

Per minute compensation rates will also be effective for minutes of service beginning July 1st, assuming approval of the proposed rates by the Commission. Providers will be paid approximately forty-five days following the month when the minutes were handled. For example, minutes handled by providers in July 2012 are

expected to be reported in August 2012, and providers will then receive compensation for those minutes at the new rates, in the middle of September 2012.¹³

III. TRS Formula Development

A. MARS

The *Cost Recovery Order* adopted the Multi-state Average Rate Structure (MARS) plan as the basis for calculating the compensation rate for interstate traditional TRS, interstate Speech-to-Speech (STS), interstate Captioned Telephone Service (CTS) and interstate and intrastate Internet Protocol (IP) Captioned Telephone Service (IP CTS).¹⁴ The Administrator will calculate annually one MARS rate for interstate TRS and STS based on the weighted average of state rates for TRS and STS and a separate MARS rate for interstate CTS and intrastate and interstate IP CTS based on the weighted average of state rates for CTS.¹⁵ The Commission determined that because there was a lack of data for IP CTS, it would be reimbursed at the same rate as CTS.

The Commission identified the steps for the Administrator to use to determine MARS-based compensation rates.¹⁶ The Administrator must first collect intrastate traditional TRS, STS, and CTS compensation rate data for the prior calendar year. Accordingly, the Administrator requested the following information from each state TRS

¹³ See Exhibit 3 Reporting and Disbursement Schedule. The reporting and disbursement schedule is subject to modification based on direction by the Commission.

¹⁴ Cost Recovery Order at ¶ 16.

¹⁵ *Id.*

¹⁶ Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123; Structure and Practices of the Video Relay Service Program, CG Docket No. 10-51, FCC 11-104, Rel. June 30, 2011 at ¶¶ 9-18.

administrator and each provider of interstate traditional TRS, STS and CTS for calendar year 2011.¹⁷

- a. the per-minute compensation rate for intrastate TRS and STS
- b. the per-minute compensation rate for intrastate CTS
- c. whether the rate applies to session or conversation minutes
- d. the number of intrastate session minutes for TRS and STS
- e. the number of intrastate session minutes for CTS
- f. the number of intrastate conversation minutes for TRS and STS
- g. the number of intrastate conversation minutes for CTS
- h. any amounts paid by the state to the provider for relay service during the previous calendar year that are not included in the contractual per-minute compensation rate

The Administrator must then determine whether there are anomalies in any state's data that will necessitate it being excluded from the MARS calculation,¹⁸ calculate each state's total dollars paid for the year for intrastate traditional TRS, STS, and CTS services, and calculate the final rate by dividing the total dollars paid by all states by the total conversation minutes of all states for TRS and STS and separately for CTS.

1. Traditional TRS and STS Formula Development

From the data collected and follow up discussions with the state contacts, the Administrator found, as the Commission indicated in the *Cost Recovery Order*,¹⁹ that Michigan continues to recover their relay service providers costs on a flat rate per subscriber basis instead of per minute basis and thus does not have data that can be used for MARS calculation purposes. For the remaining 49 states, District of Columbia, U.S. Virgin Islands and Puerto Rico, the Administrator multiplied each jurisdiction's TRS and STS rate by the corresponding number of intrastate session minutes or intrastate

¹⁷ The Data Collection Form is included at Appendix A.

¹⁸ For example, if there were no state TRS Fund and the cost of providing Relay services were recovered by the service provider based on each LEC's proportionate share of subscriber lines in the state, MARS like data would not be available and thus, would be excluded from the MARS computation.

¹⁹ Cost Recovery Order at ¶ 58.

conversation minutes, whichever the jurisdiction's rate was based upon.²⁰ For those states experiencing a mid-year rate change, the calculation was performed for each rate and service period. The calculation was made for each jurisdiction and the resulting weighted dollar amounts summed to produce a total dollar amount for each service. The Administrator added to the weighted dollar total any additional amounts paid by the states to the relay service provider(s) during the applicable period that were not included in the contractual per-minute compensation rate, but were applicable to the provision of relay service.²¹ As a final step, the Administrator divided the resulting total weighted dollar and supplemental payment amount by the total number of intrastate TRS and STS conversation minutes.²² The results of this calculation can be found in Exhibit 1-1. Appendix C displays the range of rates reported by the individual state jurisdictions.

The total dollar amount paid out for intrastate TRS and STS during calendar year 2011, including the amounts paid to relay providers which was not included in the per-minute compensation rate, amounted to \$41,656,135. The total conversation minutes for intrastate TRS and STS for calendar year 2011 were 20,567,003. The proposed compensation rate is developed by dividing the total 2011 intrastate dollar amount by the total 2011 intrastate conversation minutes, resulting in a proposed MARS rate of \$2.0304 per conversation minute for interstate traditional TRS and interstate STS for the 2012 – 2013 funding period. The proposed rate is approximately 9% higher than the 2011 – 2012 MARS calculation of \$1.8611 per conversation minute.

²⁰ *Id.* at ¶ 30

²¹ *Id.* at ¶ 31

²² *Id.*

In the *Cost Recovery Order*, the Commission provided an additional amount of \$1.131 to the 2007-2008 interstate STS compensation rate to be used by the providers for outreach efforts.²³ In the ensuing Fund years, the Commission has found it appropriate to continue the outreach additive at the same level.

The Administrator has recommended adding the \$1.131 to the MARS-based STS rate resulting in a total proposed STS rate of \$3.1614 per minute, an increase of \$0.1693 from the \$2.9921 per minute rate for the 2011-2012 Fund year. However, the Administrator notes that the demand for STS continues to be small compared to the other services. It is not clear that the outreach additive applied to the per-minute rate is having the desired result. The Commission may wish to revisit this issue to determine whether there is a more effective way to inform speech impaired users about the availability of this service.²⁴

2. CTS Formula Development

The proposed MARS CTS rate was calculated by following the same steps described above but substituting CTS related data for the TRS and STS data. Data for Michigan was excluded, because the states compensated their relay providers with a flat rate mechanism in 2011. The results of this calculation can be found in Exhibit 1-2. Appendix D summarizes the data provided by the individual state jurisdictions. The MARS CTS rate will also be used to compensate providers for IP CTS.²⁵

²³ *Id.* at ¶¶ 57, 61

²⁴ At its April 2012 meeting, the Interstate TRS Advisory Council was informed of the Administrator's intent to recommend that \$1.13 per minute of extra funding for speech to speech outreach purposes be maintained.

²⁵ Cost Recovery Order at ¶ 38.

The total dollars for intrastate CTS, including the amounts paid to relay providers not included in the compensation rate, totaled \$53,846,767 for calendar year 2011. The total conversation minutes for intrastate CTS totaled 30,461,485 for calendar year 2011. The total 2011 intrastate dollars divided by 2011 intrastate CTS minutes equals a proposed compensation rate of \$1.7730 per conversation minute for interstate CTS and interstate and intrastate IP CTS for the 2012 – 2013 funding period.

The proposed MARS CTS rate of \$1.7730 represents a modest \$0.010 increase from the 2011 – 2012 rate of 1.763 or approximately 1%.

B. Internet Protocol Relay

In the *Cost Recovery Order*, the Commission adopted a new cost recovery methodology for Internet Protocol (IP) Relay based on price caps for a three year period beginning with the effective date of that Order.²⁶ That three year period ended on June 30, 2010 coincident with the end of the 2009-2010 Fund year. For the 2011-2012 Fund year the Commission adopted an IP Relay compensation rate of \$1.2920 as the second year rate under a new three-year price cap period.²⁷

The *Cost Recovery Order* price cap plan for IP Relay applies three factors to a base rate – an Inflation Factor, an Efficiency (or “X”) Factor, and Exogenous Costs. The basic formula takes a base rate and multiplies it by a factor that reflects an increase due to inflation, offset by a decrease due to efficiencies. The Inflation Factor is Gross Domestic Product – Price Index (GDP-PI).²⁸ The Efficiency Factor is set as a figure equal to the Inflation Factor, less 0.5 percent (or 0.005) to account for productivity gains. As a result

²⁶ *Id.* at ¶ 109.

²⁷ 2011 Rate Order at ¶ 20

²⁸ Cost Recovery Order at 6-7.

the rate for a particular year will equal the rate for the previous year, reduced by 0.5 percent (*i.e.*, $\text{Rate}_{\text{Year } Y} = \text{Rate}_{\text{Year } Y-1} (1 - 0.005)$).²⁹ There were no claims of exogenous costs made by the IP Relay service providers. Reducing the current rate by 0.5 percent results in a proposed rate for the 2012-2013 fund year of \$1.2855.

Although the current price cap regime is in effect through the end of the 2012-2013 fund year, IP Relay service providers are still required to report historical and projected costs to the Administrator on an annual basis. Following are the results of analyzing the cost data submitted by the IP Relay service providers.

For analysis purposes, the Administrator segregated the provider historical and projected costs into nine distinct categories for review:

- **Facilities**, those expenses associated with land and buildings, etc.;
- **Interpreter Expense**, the costs of the individuals performing the interpretive services;³⁰
- **Non-Interpreter Relay Center Expense**, other costs associated with the relay center including supervisory management, telecommunications expense, etc.;
- **Indirect Expense**, finance, human resources, legal expenses, executive compensation, etc.;
- **Depreciation Expense**, annual depreciation on facilities and equipment;
- **Marketing Expense**, the projected costs of advertising the provider's service;
- **Outreach Expense**, the projected costs of notifying consumers of service availability;

²⁹ *Id.* at 10.

³⁰ Service provided under contract with another provider has been included in this category as well.

- **Other Expenses**, projected expenses not directly associated with one of the other expense categories; and
- **Capital Investment**, the investment in facilities, equipment, furniture, etc. associated with the relay center.

Based on the analysis described above, the providers' projected costs track closely with what has been reported as their reported average historical cost per minute for providing IP Relay Service. The average per-minute cost reported for 2010 was \$1.0935. For 2011 the average per minute cost was reported at \$0.9375. For the 2012-2013 Fund year, providers are projecting costs for handling IP Relay Service calls of \$1.0958 per minute.

For the 2012-2013 Fund year, the Administrator proposes a per minute rate of \$1.2860.

Video Relay Service

On April 8, 2011 the Consumer and Governmental Affairs Bureau's *Waiver Order* waived the 2011 Administrator filing requirement for video relay service (VRS) payment formulas and revenue requirements.³¹

The Waiver Order specified that "After considering the issues before it, the Commission will provide further guidance to the Fund Administrator in a subsequent order"³². Thus the Administrator assumes the current rates for VRS for the 2011 – 2012 funding period, as displayed in Table 1 below, remain in effect pending further instruction from the Commission.

³¹ DA 11-655 Order at ¶1.

³² DA 11-655 Order at ¶3.

Table 1 Current VRS Tier Rates

VRS	MOU	2011-2012 Rates
Tier 1	<50,000	\$ 6.2390
Tier 2	50,001 to 500,000	\$ 6.2335
Tier 3	>500,000	\$5.0668

IV. Demand Projection Methodology

In order to estimate the annual funding requirement and propose a contribution factor, an estimate of the interstate funding requirement for each of the services is required. However, providers of services being compensated using the MARS-based rate methodology, (i.e. traditional TRS, STS and CTS), are no longer required to submit demand projections.

As was done previously, historical demand was used to estimate the future demand for traditional interstate TRS, STS and CTS. Using the linear trend forecast capability of Microsoft Office Excel, the Administrator projected demand for the 2012 – 2013 Fund year using actual data available to the Administrator at the time the filing is due to the Commission.³³ For each of these services, the Administrator projected demand and an estimated funding requirement based on the proposed compensation rates for the funding year.

The Administrator used the forecasts submitted by the providers for IP and VRS services. The Administrator used the providers' minute forecasts for IP and VRS minutes of use for the 2012 – 2013 funding year. The administrator applied the proposed IP rate

³³ In most instances this embodies July 2011 through February 2012 minutes.

and current tiered VRS reimbursement rates to calculate the funding requirements for these services.

V. Additional Funding Requirements

A. iTRS Data Base Administration

In the *TRS Numbering Order* the Commission adopted a system for assigning users of internet-based Telecommunications Relay Services (TRS), specifically VRS and IP Relay, ten-digit telephone numbers linked to the North American Numbering Plan. In that *Order*, the Commission identified the types of costs that are compensable from the interstate TRS Fund.

The Commission also determined that the start-up expenses related to the database and the administration of the database should be compensated by the Fund. The *Commission authorized the TRS Fund Administrator to pay the reasonable costs of* providing necessary services consistent with this *Order* directly to the database administrator.³⁴

Compensation for the 2011-2012 Fund year, concluded the contract term totaling \$505 Thousand, which included an adjustment for a toll free number support change order. The Administrator projects that the 2012-2013 Fund year compensation for the data base administrator will be \$415 Thousand.

B. Deaf-Blind Equipment Distribution Program

In its April 6, 2011 Order, the Commission established a National Deaf-Blind Equipment Distribution Program (“NDBEDP”) to certify and provide funding to entities in each state so that they can distribute specialized customer premises equipment

³⁴ TRS Numbering Order at 101

(“CPE”) to low-income individuals who are deaf-blind.³⁵ Funding for this program has been established at \$10 million per year beginning with the 2012 – 2013 Fund year. As such, \$10 million has been included in the Interstate TRS Funding Requirement for this program.

C. TRS Fund Administrator Expenses

Beginning July 1, 2011 the Interstate TRS Fund Administrator will be compensated based on a fixed price contract similar to that of the iTRS data base administrator. For the 2012-2013 fund year, the projected TRS Fund Administrator expenses are \$1,039 thousand.

D. Revenue Data Collection Agent Expense

Prospectively, the revenue data collection agent (DCA) and its functions associated with processing the revenue information to determine TRS Fund contributors are to be separately identified from the TRS Fund administrator’s costs. The DCA invoices the TRS Fund for 8% of Data Collection costs. For the 2012 – 2013 fund year, the DCA costs are projected to be \$60 thousand.

E. Interstate TRS Advisory Council Expenses

Expenses incurred as a result of the Interstate TRS Advisory Council holding a minimum of two meetings annually as required by the Commission’s rules³⁶ are now separately identified from the TRS Fund Administrator’s expenses. For the 2012 – 2013 fund year, these expenses are projected to be \$45 thousand.

³⁵ *Implementation of the Twenty-First Century Communications and Video Accessibility Act of 2010, Section 105, Relay Services for Deaf-Blind Individuals*, Report and Order, CG Docket No. 10-210, Adopted April 4, 2011

³⁶ 47 C.F.R. § 64.604(c)(5)(iii)(H)

F. Investment Expense

The Program Administrator has entered into a Non-Custody Investment Advisory Agreement in which the Investment Advisor will direct the investment, reinvestment and changes in the investment of the TRS Fund Account, manage the Qualified Investments and use its best efforts to invest all Escrow Funds in compliance with with the FCC letter dated June 20, 2011 (DA 11-1069) regarding the Investment of Telecommunications Relay Service Funds. This Agreement will provide transparency to the costs associated with managing the investments of the Fund. Investment expenses for the 2012-2013 Fund year are estimated to be \$85 thousand.

G. Service Provider Audits

The TRS Fund Administrator's audit plan, applicable to service providers compliance with the provisions of 47 C.F.R. 64.604 by independent audit firms, has been approved subject to competitive bid. The Administrator anticipates a funding requirement of \$3.6 million for the audit of service providers during the 2012-2013 fund year.

H. IPERA

In response to a directive from the FCC, the Administrator has developed a plan to establish a baseline error rate for payment from the TRS Fund based on a Memorandum from the Office of Management and Budget (OMB) to Heads of Executive Agencies, *Issuance of revised Parts I and II to Appendix C of OMB Circular A-123 (April 14, 2011) and Part III to OMB Circular A-123, Appendix C*. The Administrator anticipates a funding requirement of \$25 thousand for compliance with this directive during the 2012-2013 fund year.

I. Bankruptcy Representation

During the 2011-2012 Fund year the Administrator found it necessary, with the prior approval of the Commission, to retain outside counsel to represent the interests of the Fund in various Bankruptcy proceedings. The Administrator anticipates a funding requirement of \$50 thousand for legal representation, subject to Commission prior approval, in bankruptcy matters during the 2012-2013 fund year.

J. Audit Expense

An audit fee for services of an independent certified public accountant to examine the Interstate Telecommunications Relay Services Fund's annual financial statements was separately identified and included in the 2011-2012 Fund year. However the independent audit was not conducted during the period of transition of Fund Administrator but was conducted as part of the independent audit of the FCC. RLSA recommends that the 2012 – 2013 fund year expenses include an allowance to conduct an independent audit of the TRS Fund separate from the independent audit of the FCC. The independent audit is projected to be \$50 thousand.

VI. Contribution Factor Calculation

Collectively, the six relay services produce a funding requirement of \$781.2 million. Additional fund requirements increase the total requirements by \$15.4 million. Interest on invested funds for the July 2012 – June 2013 period is projected to be approximately \$250 thousand and is used to offset on-going fund requirements.

Historically, the Administrator has recommended that the TRS Fund include an additional component to protect the Interstate TRS program from running short of available funds before the end of the TRS Fund period. In its 2009 *and 2010 Rate*

Orders, the Commission accepted the Administrator's recommendation to include a surplus of one month's projected distributions to providers be included in the funding requirement.³⁷ The Administrator recommends for the 2012-2013 funding year the continued use of a surplus of one month's projected distributions to providers, \$65.1 million, be included in the funding requirement.³⁸ It is anticipated that there will be a surplus of approximately \$150.0 million, at June 30, 2012 and earnings on invested funds will be approximately \$250 thousand.

The total projected funding requirement for the 2012-2013 funding year is projected to be \$711.4 million. The component parts of the projected funding requirement are displayed in Exhibit 2.

Based on the 2012-2013 demand projections and the proposed rates contained herein coupled with the calendar year 2011 revenue base, the Administrator estimates that the contribution factor will need to be 0.01053.

VII. Program Administration

A. Interstate TRS Fund Advisory Council Report

Pursuant to section 64.604 of the Commission's rules, the Advisory Council advises the Administrator on interstate TRS cost recovery matters.³⁹ The Advisory Council includes non-paid volunteers from the hearing and speech disability community, TRS users (voice and text telephone), state regulators and relay administrators, interstate

³⁷ Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, Order, CG Docket No. 03-123, 23 FCC Rcd 9976 (2008 Rate Order) at n. 56

³⁸ One month's average distribution equates to approximately 8.2% which is less than the 10% surplus approved in prior funding years.

³⁹ 47 C.F.R. § 64.604 (c)(5)(iii)(H).

service providers, and TRS providers. Appendix E, contains a listing of current Advisory Council members.⁴⁰

On April 18, 2012, the Advisory Council met to review the proposed MARS and IP reimbursement rates, for the July 2012 – June 2013 funding period prior to submission of the filing to the FCC by May 1, 2012. The Administrator presented the results of the annual TRS provider data collection and proposed compensation rates for each service based on the TRS Cost Recovery Order to the Advisory Council. The Administrator presented preliminary proposed compensation rates for each non-VRS service and demand projections to the Advisory Council.⁴¹

B. Audit Report

Included in Appendix G are copies of the TRS Fund Performance Status Reports for the period ended July, 2011, through March 2012. The Commission Fiscal Year audit of the period October 2011 – September 2012, began in March 2012 and the financial statements are expected to be submitted to the Commission in late December 2012.

⁴⁰ In a July 1999 Order, the FCC authorized the addition of a position in the hearing and speech disability community category for a representative from the speech disability community. *See Appointment of the Telecommunications Relay Services (TRS) Fund Administrator and Composition of the Interstate TRS Advisory Council*, CC Docket No. 90-571, Memorandum Opinion and Order, 14 FCC Rcd 10553 (1999).

⁴¹ Minutes for the April 18, 2012 meeting will not be available until they have been reviewed and approved by the Advisory Council at its fall 2012 meeting.

Appendices:

- Appendix A ----** Interstate TRS Fund 2011 Intrastate Rate and Minute Data for MARS Methodology (State Data Collection Form & Instructions)
- Appendix B ----** Interstate TRS Fund Annual Provider Information (Provider Data Collection Form & Instructions)
- Appendix C ----** TRS & STS Intrastate Rate Data for prior year
- Appendix D ----** CTS Intrastate Rate Data for prior year
- Appendix E ----** Current Advisory Council Members
- Appendix F ----** TRS Council meeting Minutes
- Appendix G ----** Concerns of the ITRS Fund Advisory Council – April 25, 2012
- Appendix H ----** TRS Fund Performance Reports July 2011 – March 2012

Exhibits:

- Exhibit 1-1 ----** Displays TRS & STS data collected from states for the Interstate MARS rate calculation.
- Exhibit 1-2 ----** Displays CTS data collected from states for the Interstate MARS rate calculation.
- Exhibit 1-3 ----** Displays IP Relay Average Cost per Minute data
- Exhibit 1-4 ----** Displays IP CTS Historical Demand January 2009 through February 2012.
- Exhibit 1-5 ----** Displays the calculation of the IP Relay price capped rate for 2012-2013.
- Exhibit 2 ----** Displays the proposed Interstate TRS Fund Size and Contribution Factor for the July 2012 through June 2013 Fund Year.
- Exhibit 3 ----** Displays the providers' schedule for reporting interstate TRS, interstate STS, interstate CTS and intrastate and interstate VRS and IP conversation minutes of use to the Administrator, and the schedule for disbursing associated payments for July through June.

Interstate TRS Fund

2011 Annual State Rate Data Request Filing Instructions

This document and the forms are available on our website at www.r-l-s-a.com/trs.

Submissions must be made on or before February 24, 2012. Should you have any questions about these instructions or completion/content of the forms, please contact Bob Loube at 301-681-0338 or rloube@r-l-s-a.com. Questions about the submission of this data request can be made to Matt Saltzer at msaltzer@r-l-s-a.com or call 717-231-6748.

Filing Requirements / Schedule / File Preparation

Form required of all states and US territories:

- Rate and Demand

Form to be completed as appropriate:

- Additional Costs Paid to Provider

Filing deadline:

All forms must be emailed to msaltzer@r-l-s-a.com on or before February 24, 2012.

Naming your file:

Each Excel workbook must be saved and submitted as a whole collection of completed data forms using this filing naming template: **xx_2012_Annual_v.xls**, **example: PR_2012_Annual_0.xls**

- | | |
|----|---|
| xx | Represents an abbreviation of the state or US territory (ie. PA, DC, PR) |
| v | Represents a single digit for the version of the filing. The first filing submitted for the carrier should be 0. If the file is being replaced for some reason, increment by 1 each time a replacement file is created for submission. |

General Information

On November 19, 2007, the Federal Communications Commission released a Report and Order (FCC 07-186) adopting new cost recovery methodologies for the various forms of TRS. For traditional TRS, STS, and CTS, the Commission adopted the

MARS Plan. One MARS rate is calculated that applies to Interstate TRS and STS, and one MARS rate is calculated that applies to Interstate CTS (and currently all IP CTS).

Under the MARS plan each January the Fund Administrator will request each state TRS administrator, and each provider of TRS, STS, and CTS to provide the following data for the previous calendar year: (1) per-minute compensation rates for intrastate traditional TRS, STS, and CTS; (2) whether the rate applies to session minutes or conversation minutes; (3) the number of intrastate session minutes for traditional TRS, STS, and CTS; and (4) the number of intrastate conversation minutes for traditional TRS, STS, and CTS. If the contractual per-minute compensation rate does not include all of the costs paid by the state to the provider for the relay service, the state should also list other amounts paid to the provider during the relevant calendar year. All information submitted will be considered by RLSA to be confidential.

The intrastate minutes also include allocated 800-number, 900-number, and inbound two-line CTS minutes allocated as intrastate minutes (FCC DA 08-1476 ¶15). These allocated intrastate minutes must be included in the MARS calculation to ensure the rate reflects all intrastate minutes compensated by the states.

Completing the ‘Rate and Demand’ Worksheet

Per the Commission Report and Order FCC 07-186, each state TRS administrator and each provider of interstate TRS and STS is to provide the following data for the previous calendar year: per-minute compensation rates for intrastate traditional TRS and STS; whether the rate applies to session minutes or conversation minutes; the number of intrastate session minutes for traditional TRS and STS; and the number of intrastate conversation minutes for traditional TRS and STS.

Per the Commission Report and Order FCC 07-186, each state administrator and each provider of CTS is to provide the following data for the previous calendar year: per-minute compensation rates for intrastate CTS; whether the rate applies to session minutes or conversation minutes; the number of intrastate session minutes for CTS; and the number of intrastate conversation minutes for CTS.

Header Instructions:

1. **Jurisdiction:** Enter the two character abbreviation for the state or territory being reported. (such as “PR”, “VI”, “DC”, etc.)
2. **Prepared By:** Enter the name of the person responsible for the content of this report.
3. **Telephone:** Enter the telephone number, including an extension if appropriate, of the person named in step 2.
4. **Email Address:** Enter the email address of the person named in step 2.

Column Instructions: (Note that the jurisdiction column will complete automatically once a service type and provider have been entered.)

1. **Service Type:** Either select the service type using the drop down list or type either "TRS", "STS" or "CTS".
2. **Provider:** Enter the name of the service provider.
3. **Rate Start Date:** Enter a valid date including month, day and year when the contract rate became effective (such as "3/1/2006"). Note: Only rates that were in affect at some point during 2011 are to be reported.
4. **Rate End Date:** Enter a valid date including month, day and year when the contract rate terminates (such as "9/30/2014"). Note: Only rates that were in affect at some point during 2011 are to be reported.
5. **Conversation Rate:** Enter the per-minute compensation rate when the compensation rate is based upon actual intrastate conversation minutes (such as "4.52"). The currency format is already configured within the form and therefore, a dollar sign should not be typed.
6. **Session Rate:** Enter the per-minute compensation rate when the compensation rate is based upon actual intrastate session minutes (such as "4.52"). The currency format is already configured within the form and therefore, a dollar sign should not be typed.
7. **Conversation Minutes:** Enter the total intrastate conversation minutes for the period in which the rate was effective during the calendar year 2011.
8. **Session Minutes:** Enter the total intrastate session minutes for the period in which the rate was effective during the calendar year 2011.

Completing the 'Additional Provider-Paid Costs' Worksheet

Please identify any incentives or services that the TRS provider paid for or provided, during calendar year 2011, which the state was not required to pay for.

Column Instructions: (Note that the jurisdiction column will complete automatically once a service type and provider have been entered.)

1. **Provider:** Enter the name of the service provider.
2. **Service Type:** Either select the service type using the drop down list or type either "TRS", "STS" or "CTS".
3. **Rate Start Date:** Enter a valid date including month, day and year when the rate being reported began (such as "3/1/2006").

4. **Rate End Date:** Enter a valid date including month, day and year when the rate being reported terminates (such as “9/30/2014”).
5. **Amount:** Enter the amount of provider-paid costs. The currency format is already configured within the form and therefore, a dollar sign should not be typed.
6. **Description:** Describe the type of cost or incentive paid to the provider.

Questions:

Q: _____ is somewhat unique among states as we pay a monthly TRS rate based on center operating costs, not a per minute compensation rates as requested. How do I best capture that information on the form for you to use?

A: Do not complete the rate portion of the “rate and demand” form because it obviously does not apply to this situation. We are also interested in the amount of TRS demand in _____, so please enter the number of minutes, if possible.

In the form, “Add. Cost Paid to Provider”, please complete this form. In the “amount” column, enter the annual amount paid to the provider. However, if the rate was established for a portion of the year, enter the amount paid for that portion. Indicate in the rate start and end date columns, the portion of the year that the rate was in effect. Use a separate row each time the rate changed.

Q: Our rate for STS is included in the monthly TRS rate. Do I list STS on the form separately, or note that the monthly TRS rate includes STS in the “provider” column?

A: In the “description” column, explain how the compensation is determined in _____. If STS and TRS are combined, indicate that. Do not try to make an artificial separation of the payments if there is no basis for the separation. However, if you know the costs for TRS separately from the costs of STS, you can provide that information in the description column.

Interstate TRS Fund

[illegible]

Additional Costs Paid to Provider for Calendar Year 2011

[illegible]

Interstate TRS Fund

2011 Annual TRS Provider Data Request Filing Instructions

This document and the forms are available through our **Extranet Portal** at <https://extranet.r-l-s-a.com:24349>. The portal requires a username and password, which are provided by RLSA. One user name and password are provided per company, to the primary and secondary contacts supplied to RLSA on a signed form (see form entitled “Notice of Service Provider Participation”). Should further distribution of that authentication information be warranted within your company, it is your option and responsibility to provide that authentication information only to those who you authorize to access the system. **RLSA cannot be responsible for unauthorized use of those credentials.**

Login or Password Issue

If the password for your account needs to be changed at any point, please contact RLSA at 717-237-6748 or msaltzer@r-l-s-a.com for assistance. The request must come from either of the two previously provided points of contact.

Submissions must be made through our Extranet Portal at <https://extranet.r-l-s-a.com:24349>. This Internet site offers the latest forms, instructions, filing schedule, announcements and a record of each uploaded file and when it was submitted. The site is confidential and secured. Should you have any questions about using the site, please contact msaltzer@r-l-s-a.com or call 717-231-6748. Secondary contact information: trs@r-l-s-a.com or 717-231-6669. Login information has been and will be provided only to the company’s primary and secondary contacts as provided on the “Notice of Service Provider Participation” form.

Filing Requirements / Schedule / File Preparation

Forms required of all providers:

- Basics,
- Intrastate Rate and Minute Data for MARS Methodology

Forms to be completed as appropriate:

- Additional Provider-Paid Costs,
- Additional Costs Paid to Provider
- Video Relay Services Expense and Capital Investments Data
- IP Services Expense and Capital Investments Data
- Annual IP and VRS Demand Data

Filing deadline:

All forms must be uploaded on or before March 1, 2012.

Naming your file:

Each Excel workbook must be saved and submitted as a whole collection of completed data forms using this filing naming template: **xxxxxx_2012_Annual_v.xlsx** or **xxxxxx_2012_Annual_v_cccc.xlsx**

xxxxxx Represents the 6 digits of the provider's filer ID

v Represents a single digit for the version of the filing. The first filing submitted for the carrier should be 0. **If the file is being replaced for some reason, increment by 1 each time a replacement file is created for submission.**

cccc OPTIONAL: Represents a variable length text string to identify the name of a subcontractor for which the workbook reports data. Spaces are acceptable but some special characters are not. Normal file naming character selections/restrictions apply. Subcontractor data should be compiled and supplied separately from data directly related to the certified provider responsible for responding to this data request. If subcontractor data is supplied, a separate text file should be prepared and submitted which shall contain an index to identify subcontractor's full name if an abbreviation is used within the workbook's file name. That index file should be named using the format **xxxxxx_2012_Annual-Index_v.txt**.

Questions about the completion of this data request can be made to Matt Saltzer at msaltzer@r-l-s-a.com or call 717-237-6748.

General Information

On November 19, 2007, the Commission released a Report and Order (FCC 07-186) adopting new cost recovery methodologies for the various forms of TRS. The Order also clarified the nature and extent that certain categories of costs are compensable from the Fund.

The Order also provided that:

- Indirect overhead costs are not reasonable costs of providing TRS. Appropriate overhead costs are those costs directly related to, and directly support, the provision of relay service. Indirect overhead costs may not be allocated to TRS by an entity that provides services other than TRS based on the percentage of the entity's revenues that are derived from the provision of TRS. (FCC 07-186, ¶¶74-75).

- Start-up expenses are compensable, but must be amortized in accordance with generally accepted accounting rules (FCC 07-186, ¶¶76-77).

- All costs submitted must directly support the provision of relay service (FCC 07-186, ¶¶75).

- Reasonable executive compensation for persons who directly support the provision of TRS is compensable from the Fund (FCC 07-186, ¶¶79). For example, if executives of a company that provides a variety of services in addition to TRS do not personally work on TRS issues, no part of their salaries can be included in the company's TRS cost submission (FCC 07-186, ¶¶75).

- Financial transaction costs or fees unrelated to the provision of relay service are not compensable as reasonable costs of providing service. Such costs include costs and fees relating to a change in ownership of the entity providing relay service, the sale of the entity, the spinoff of part of the entity, or any other transaction directed at the ownership, control, or structure of the relay provider (FCC 07-186, ¶¶80).

- Costs attributable to relay hardware and software used by the consumer, including installation, maintenance costs, and testing are not compensable from the Fund. Compensable expenses do not include expenses for customer premises equipment – whether for the equipment itself, equipment distribution, or installation of the equipment or necessary software (FCC 07-186, ¶¶82). Any information requested is for informational purposes only.

- Do not include profit or tax allowances in expenses. (FCC 04-137, ¶¶179-182)

- Only expenses to meet the non-waived mandatory minimum standards should be included. (FCC 04-137, ¶¶188-190)

- Capital investment data, if applicable, must be submitted by service. (FCC 04-137, ¶¶177-182)

- If depreciated expenses are reported, the year end net book value of the capital investment from which depreciation was computed must be reported in Section F.

- STS providers must include a report detailing specific outreach efforts directly attributable to the additional support for STS outreach

- The following costs are not compensable from the fund:

- Costs associated with an Internet-based TRS consumers' acquisition of a ten-digit geographic telephone number
- Costs associated with an Internet-based consumers' acquisition and usage of a toll free telephone number

- E911 charges imposed on TRS providers under a state or local E911 funding mechanism. (FCC 08-275, ¶47-56)

All reasonable expenses of providing eligible relay services, whether as part of a state-contracted service or a stand-alone service, are reportable.

Completing the ‘Basics’ Worksheet

1. **ID & Provider Name:** In the first white box, select your company name from the drop down list.
2. **Contact Name:** Enter the name of the person who prepared the reported information. This person will be contacted by RLSA if there are any questions or problems with the submission.
3. **Contact Email Address:** Enter the email address of the person identified in step 2.
4. **Contact Telephone:** Enter the telephone number of the person identified in step 2, including area code and any appropriate extension number.
5. **Explanation of Changes:** In the next box, enter, as per the on-form instructions, details about changes since your last filing and/or plans for change for the upcoming tariff year 2012-2013 (July – June).

Completing the ‘Rate and Minute Data’ Worksheet

Per the Commission Report and Order FCC 07-186, each provider of interstate TRS and STS is to provide the following data for the previous calendar year: per-minute compensation rates for intrastate traditional TRS and STS; whether the rate applies to session minutes or conversation minutes; the number of intrastate session minutes for traditional TRS and STS; and the number of intrastate conversation minutes for traditional TRS and STS.

Column Instructions:

1. **Provider:** This information will automatically be populated with the provider’s 6-digit ID selected within the Basics sheet after the Service Type and the Jurisdiction columns are completed.
2. **Service Type:** Either select the service type using the drop down list or type either “TRS”, “STS” or “CTS”.
3. **Jurisdiction:** Enter the appropriate state or territory (such as “Puerto Rico”, “PR”, “VI”, “Guam”, etc.)

4. **Rate Start Date:** Enter a valid date including month, day and year when the contract being reported began (such as “3/1/2006”).
5. **Rate End Date:** Enter a valid date including month, day and year when the contract being reported terminates (such as “9/30/2014”).
6. **Conversation Rate:** Enter the per-minute compensation rate when the compensation rate is based upon actual intrastate conversation minutes (such as “4.52”). The currency format is already configured within the form and therefore, a dollar sign should not be typed. If the compensation is not per minute, record the compensation information in the form “Additional Costs Paid to Provider”.
7. **Session Rate:** Enter the per-minute compensation rate when the compensation rate is based upon actual intrastate session minutes (such as “4.52”). The currency format is already configured within the form and therefore, a dollar sign should not be typed. If the compensation is not per minute, record the compensation information in the form “Additional Costs Paid to Provider”.
8. **Conversation Minutes:** Enter the total intrastate conversation minutes for the period in which the rate was effective during the calendar year 2011.
9. **Session Minutes:** Enter the total intrastate session minutes for the period in which the rate was effective during the calendar year 2011.

Completing the ‘Additional Provider-Paid Costs’ Worksheet

Please identify any incentives or services that the TRS provider paid for or provided, during calendar year 2011, that the state was not required to pay for.

Column Instructions:

1. **Provider:** This information will automatically be populated with the provider’s 6-digit ID selected within the Basics sheet after the Service Type and the Jurisdiction columns are completed.
2. **Service Type:** Either select the service type using the drop down list or type either “TRS”, “STS” or “CTS”.
3. **Jurisdiction:** Enter the appropriate state or territory (such as “Puerto Rico”, “PR”, “VI”, “Guam”, etc.)
4. **Rate Start Date:** Enter a valid date including month, day and year when the contract being reported began (such as “3/1/2006”).

5. **Rate End Date:** Enter a valid date including month, day and year when the contract being reported terminates (such as “9/30/2014”).
6. **Amount:** Enter the amount of provider-paid costs. The currency format is already configured within the form and therefore, a dollar sign should not be typed.
7. **Description:** Describe the type of cost or incentive paid for by the provider.

Completing the ‘Additional Costs Paid to Provider’ Worksheet

If the contractual per-minute compensation rate does not include all the costs paid by the state to the provider for the relay service, enter amounts paid to the provider during 2011.

Column Instructions:

1. **Provider:** This information will automatically be populated with the provider’s 6-digit ID selected within the Basics sheet after the Service Type and the Jurisdiction columns are completed.
2. **Service Type:** Either select the service type using the drop down list or type either “TRS”, “STS”, “CTS” “IPCTS”, “IP” or “VRS”.
3. **Jurisdiction:** Enter the appropriate state or territory (such as “Puerto Rico”, “PR”, “VI”, “Guam”, etc.)
4. **Rate Start Date:** Enter a valid date including month, day and year when the contract being reported began (such as “3/1/2006”).
5. **Rate End Date:** Enter a valid date including month, day and year when the contract being reported terminates (such as “9/30/2014”).
6. **Amount:** Enter the amount of payments for 2011. The currency format is already configured within the form and therefore, a dollar sign should not be typed.
7. **Description:** Describe the type of payment by the provider for 2011.
8. **Source:** Identify the entity that provided the payment to the provider.

Completing the 'Video Relay Services Expense and Capital Investments Data' Worksheet

Include claimed expenses attributable to providing Video Relay Services as required under Part 64 of the FCC rules, such as gathering traffic, the center itself, and handing off calls to the interexchange carrier. When reporting expenses, report all amounts in whole dollars. For the four columns: 2010, 2011, 2012 and 2013, enter Actual or Projected amounts as requested. All amounts should be traceable to the company's trial balance.

A. Annual Recurring Fixed/Semi-Variable Expenses see Appendix 1

1. **Rent:** Annual payments solely for land and/or buildings rented for the provision of Video Relay Services.
2. **Utilities:** Expenses associated with land and buildings, such as water, sewerage, fuel, T1, trunk lines, internet connectivity, internet service, VoIP service, and power. Telephone service expenses, such as center toll free numbers, local and foreign exchange should also be included here. **Also see ITEM B. 4.**
3. **Building Maintenance:** Expenses for maintenance and repair.
4. **Property Tax (if owned):** Taxes paid on property owned and used for the provision of VRS.
5. **Furniture (if leased):** Lease or rental expenses associated with center furnishings.
6. **Office Equipment (if leased):** Lease or rental expenses associated with office equipment.

B. Annual Recurring Variable Expenses (Direct VRS Operating Expenses)

1. **Salaries and Benefits:** Compensation to *non-management employees (persons performing communications assistant and interpreter activities)*, such as wages, salaries, commissions, bonuses, incentive awards and termination payments; payroll related benefits paid on behalf of employees, such as pensions, savings plans, workers' compensation required by law, insurance plans (life, hospital, medical, dental, vision); and social security and other payroll taxes. Included in this expense is the cost of "contract interpreters and/or communication assistants" who are not employees. **ADDITIONAL DATA REQUIRED – see Appendix 1**

2. **Salaries and Benefits:** Compensation to *management employees (relay center managers & supervisors)*, such as wages, salaries, commissions, bonuses, incentive awards and termination payments; payroll related benefits paid on behalf of employees, such as pensions, savings plans, workers' compensation required by law, insurance plans (life, hospital, medical, dental, vision); and social security and other payroll taxes. **ADDITIONAL DATA REQUIRED – see Appendix 1** See discussion of executive compensation at paragraphs 78-79 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).
3. **Salaries and Benefits:** Compensation to *relay center staff*, such as wages, salaries, commissions, bonuses, incentive awards and termination payments; payroll related benefits paid on behalf of employees, such as pensions, savings plans, workers' compensation required by law, insurance plans (life, hospital, medical, dental, vision); and social security and other payroll taxes. **ADDITIONAL DATA REQUIRED – see Appendix 1**
4. **Telecommunications Expenses:** Expenses associated with inspecting, testing, analyzing and correcting trouble; repairing or reporting on telecommunications plant (switching, transmission, operator, cable and wire) to determine need for repairs, replacements, rearrangements, and changes; expenses for activities, such as controlling traffic flow, administering traffic measuring and monitoring devices, assigning equipment and load balancing, collecting and summarizing traffic data, administering trunking equipment and facilities, automatic call distributor and assigning interoffice facilities and circuit layout work. **Note: expenses reported here are in addition to the telephone service expenses reported in Section A 2.**
5. **Billing Expenses:** Rating of toll messages and billing functions not recovered from other sources.
6. **Relay Center Expenses:** Expenses not included in other accounts, such as providing food services, libraries, archives, mail service, procuring office equipment, office supplies, materials and repairs.

C. Annual Administrative Expenses

Indirect overhead costs are not reasonable costs of providing TRS. Appropriate overhead costs are those costs directly related to, and directly support, the provision of relay service. Indirect overhead costs may not be allocated to TRS by an entity that provides services other than TRS based on the percentage of the entity's revenues that are derived from the provision of TRS. (FCC 07-186, ¶¶74-75).

1. **Finance/Accounting:** Expenses incurred in providing accounting and financial services. Accounting services include payroll and disbursements, property accounting, capital recovery, regulatory accounting, tax accounting, auditing, capital and operating budget and control, and general accounting.

Financial services include banking operations, cash management, and benefit investment fund management, etc. **ADDITIONAL DATA REQUIRED - see Appendix 1**

2. **Legal/Regulatory:** Expenses incurred for legal and regulatory services. Legal services include conducting and coordinating litigation, providing guidance on regulatory and labor matters, court expenses, filing fees, cost of counsel, etc. Regulatory services include preparing and presenting information for regulatory purposes, such as responding to this data request. **ADDITIONAL DATA REQUIRED - see Appendix 1**
3. **Engineering:** Expenses incurred in the general day to day engineering operation of the TRS telecommunications plant and /or IP network to meet applicable non-waived mandatory minimum standards. **ADDITIONAL DATA REQUIRED see Appendix 1**
4. **Research and Development:** Expenses incurred for R&D required to meet applicable non-waived mandatory minimum standards. **ADDITIONAL DATA REQUIRED – see Appendix 1**
5. **Operations Support:** Expenses that ensure the sustainability of service including troubleshooting, customer service and technical support. **ADDITIONAL DATA REQUIRED – see Appendix 1**
6. **Human Resources:** Expenses incurred in performing personnel administration activities, including recruiting, hiring, forecasting, planning, training, scheduling , counseling employees and reporting. **ADDITIONAL DATA REQUIRED – see Appendix 1**
7. **Billing:** Administrative expenses of rating and providing billing information to interexchange and exchange carriers, if not recovered by other means. **ADDITIONAL DATA REQUIRED - see Appendix 1**
8. **Contract Management:** Expenses of managing activities required by the provider contracts. **ADDITIONAL DATA REQUIRED – see Appendix 1**
9. **Risk Management:** Management expenses associated with workmen's compensation, payments in settlement of accident and damage claims, insurance premiums against losses and damages, sickness and disability payment, etc.
10. **Other Corporate Overhead:** Other administrative expenses of providing TRS not included in previous categories. All costs over \$10,000 should be itemized. **ADDITIONAL DATA REQUIRED – see Appendix 1** See discussion of overhead costs at paragraphs 74-75 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).

D. Annual Depreciation / Amortization Associated with Capital Investment

Depreciation listed in this section MUST tie to the capital investment reported in Section F.

1. **Furniture & Fixtures:** Depreciation expense on furniture and/or fixtures. **ADDITIONAL DATA REQUIRED – see Appendix 1**
2. **Telecommunications Equipment:** Depreciation expense associated with capitalized expenses of telecommunications equipment including switching equipment, operator services equipment, cable and wire facilities, transmission equipment, and power equipment. **ADDITIONAL DATA REQUIRED – see Appendix 1**
3. **Leasehold:** Amortization of leasehold improvements – improvements which become a permanent part of a building, like walls or carpeting. **ADDITIONAL DATA REQUIRED – see Appendix 1**
4. **Software:** Amortization expenses associated with capitalized software.
5. **Other Capitalized:** depreciation expense not accounted for in other categories. **ADDITIONAL DATA REQUIRED – see Appendix 1**

E. Other Expenses

1. **Marketing/Advertising: Advertising:** is a form of communication intended to persuade an audience (viewers, readers or listeners) to purchase or take some action upon products, ideas, or services. It includes the name of a product or service and how that product or service could benefit the consumer, to persuade a target market to purchase or to consume that particular brand. These messages are usually paid for by sponsors and viewed via various media. Marketing is the wide range of activities involved in making sure that you're continuing to meet the needs of your customers and getting value in return. Marketing activities include "inbound marketing," such as market research to find out, for example, what groups of potential customers exist, what their needs are, which of those needs you can meet, how you should meet them, etc. Inbound marketing also includes analyzing the competition, positioning your new product or service (finding your market niche), and pricing your products and services. "Outbound marketing" includes promoting a product through continued advertising, promotions, public relations and sales. Marketing/Advertising expenditures by the provider to persuade users to choose their particular relay service over that of other relay service providers. **All costs over \$10,000 should be itemized.** The cost of equipment given to, sold to, and/or used by relay callers, and call incentives are NOT to be reported as expenses. **ADDITIONAL DATA REQUIRED – see Appendix 1.** See discussion at paragraph 82, Report and

Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).

2. **Outreach:** Outreach is an effort by individuals in an organization or group to connect its ideas or practices to the efforts of other organizations, groups, specific audiences or the general public. Unlike marketing, outreach does not inherently revolve around a product or strategies to increase market share. Typically non-profits, civic groups, and churches engage in outreach. **ADDITIONAL DATA REQUIRED – see Appendix 1.** See discussion at paragraph 82, Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).
3. **Sub Contactor:** 3rd party costs associated with a contract to provide IP and VRS services. Do not include profit or tax allowances of sub-contractor.
4. Software Expense
5. Customer Premise Equipment Expense **ADDITIONAL DATA REQUIRED – see Appendix 1**
6. Other: Expenses not previously reported. **ADDITIONAL DATA REQUIRED – see Appendix 1**

F. Capital Investments

Please provide the year end net book value of capital investments by categories listed in Section F from which the depreciation expenses in Section D was calculated. **ADDITIONAL DATA REQUIRED – see Appendix 1**

G. Costs Associated with E911 and Numbering for Internet-Based Telecommunications Relay Services

Costs may be submitted for:

“those additional costs incurred by a provider that directly relate to (1) ensuring that database information is properly and timely updated and maintained; (2) processing and transmitting calls made to ten-digit numbers assigned pursuant to this Order; (3) routing emergency calls to an appropriate PSAP; (4) other implementation related tasks directly related to facilitating ten-digit numbering and emergency call handling; and (5) consumer outreach and education related to the requirements and services adopted in this Order” (FCC 08-151¶100).

The following costs are not compensable from the fund: (A) Costs associated with an Internet-based TRS consumers’ acquisition of a ten-digit geographic telephone number (B) costs associated with an Internet-based consumers’ acquisition and usage of a toll free telephone number (C) E911 charges imposed on TRS providers under a state or local E911 funding mechanism. (FCC 08-275, ¶47-56). Do not include these

costs. Do not include costs already included in the per minute IP and VRS compensation rate calculated pursuant to the Commission's rules.

Completing the 'IP Services Expense and Capital Investments Data' Worksheet

Include reasonable expenses attributable to providing IP Relay as required under Part 64 of the FCC rules, such as gathering traffic, the center itself, and handing off calls to the carrier. When reporting expenses, please report all amounts in whole dollars. **Follow the same instructions for Sections A through G as listed above in Video Relay Services Expense and Capital Investments Data except substitute IP expenses and capital investments for VRS.**

Completing the 'Annual IP and VRS Demand Data' Worksheet

All minute data should be reported in conversation minutes. Conversation minutes are measured in terms of conversation time, i.e., from calling party connection to called party to the disconnect of both parties. Do not include time for call set-up, call ringing, waiting for an answer, calls that reach busy numbers or receive no answers, and call wrap-up. 2010 and 2011 minutes should be actual conversation minutes. Minutes for 2012 and 2013 should be projected conversation minutes by month. The projected minutes should reflect reasonable growth rates and include other considerations that might increase or decrease the minutes handled by a center, such as adding a new state to a center. Include a description of the methodology used to determine the projected minutes for 2012 and 2013.

APPENDIX 1 For IP and VRS

This Appendix applies to each service separately.

SECTION A Annual Recurring Fixed/Semi-Variable Expenses

For Section "A" expenses that are provisioned jointly with the expenses for other telecommunications relay services, provide the total company expenses, a description of how the total expenses are allocated among the services, and the percent allocation for each service. For example, a building lease could be allocated based on the relative square feet of the building used to provide the services.

SECTION B Annual Recurring Variable Expenses

1. Salaries and Benefits

- a) Provide a detailed schedule of the number of full-time employees or part-time equivalent employees – **Non-management (persons performing communications assistant and interpreter activities)**, and the components of their compensation, including salaries and benefits. This includes the cost of contract interpreters and/or communication assistants. The schedule should tie to the actual and projected amounts for 2010-2013.

Please provide data for each center.

- b) Provide a detailed schedule of the occupancy and utilization percentages used to develop the number of employees required to meet call volumes. The schedule should tie to the schedule requested in A above.

Occupancy Percentage = # of minutes a CA/Interpreter is occupied processing a call(including set-up, wrap-up) / # of available minutes (payroll time)

Utilization Percentage = # of conversation minutes(does not include set-up, wrap-up) / # of minutes a CA/Interpreter is occupied processing a call(including set-up, wrap-up)

Please also include information on the normal workday length and the amount of time CAs/interpreters are at their desks waiting to take calls (available/payroll time minus lunch, breaks, vacation).

- c) Provide the speed of answer you are staffing to meet for each center.
1. Number of communication assistant and interpreter seats at each call center
 2. Number of call centers
 3. Average hourly salary for communication assistants and interpreters
 4. Provide fully loaded CA costs including labor, facilities and CA direct G&A
2. Salaries and Benefits Provide a detailed schedule of the number of employees – Management employees (relay center managers & supervisors), and the components of their compensation, including salaries and benefits. The schedule should tie to the actual and projected demand for 2009 -2012. Please provide data for each center and job description for each employee. See discussion of executive compensation at paragraph 75, 78-79 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).
3. Salaries and Benefits Provide a detailed schedule of the number of employees – Relay Center Staff (clerical staff and others who perform non communications assistant and interpreter activities), and the components of their compensation, including salaries and benefits. The schedule should tie to the actual and projected demand for 2010-2013. Please provide data for each center and job description for employee.

SECTION C Annual Administrative Expenses

1. Finance/Accounting

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide job descriptions for finance/accounting staff.
- c) Provide other expenses incurred in providing accounting and financial services.

2. Legal/ Regulatory

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide other expenses incurred in providing legal services and a description of those expenses.

3. Engineering (day to day operations)

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide job descriptions for engineering staff.
- c) Describe Engineering activities and explain how it relates to meeting the non - waived mandatory minimum standards. (See FCC 04-137, ¶ 188-190)

4. Research and Development

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits. Provide a break down based on platform, software and customer premise equipment.
- b) Provide job descriptions for Research and Development staff.
- c) Describe each TRS related Research and Development project and explain how it relates to meeting the non -waived mandatory minimum standards. (See FCC 04-137, ¶ 188-190)

5. Operations Support

- a) Provide a list of independent contractors and their associated expenses.
- b) Provide a detailed schedule of full-time employees or part-time equivalent Customer Support staff.

- c) Provide a detailed schedule of Selling, General and Administrative expenses.

6. Human Resources

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide job descriptions for Human Resources staff.
- c) Provide other expenses incurred in performing personnel administration activities. This includes forecasting, planning, recruiting and reporting.

7. Billing

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide other administrative expenses incurred in rating and providing billing information to exchange and interexchange carriers if not recovered by other means.

8. Contract Management

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide job descriptions of employees.
- c) Provide expenses of managing activities required by provider contract and a description of those activities.

9. Risk Management (No additional information is needed)

10. Other Corporate Overheads

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide job descriptions of employees.
- c) Identify and explain the expenses included in corporate overhead.
- d) Itemize any costs over \$10,000. See discussion of overhead costs at paragraphs 74-75 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).

SECTION D Annual Depreciation/Amortization Associated with Capital Investment

Depreciation method and period applied should be included. Departures from traditional depreciation methods should be explained in detail. We emphasize that the depreciable life, depreciation method, and depreciation expense must be categorized by items listed in Section D.

SECTION E Other Expenses

1. Marketing/Advertising Expenses

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits. This includes product management expenses associated with managing product lifecycle.
- b) Provide job descriptions of marketing/advertising staff.
- c) Identify and explain the expenses included in marketing/advertising.
- d) Itemize any costs over \$10,000.
- e) The cost of equipment given to, sold to, and/or used by relay callers, and call incentives are NOT to be reported in any expenses.
- f) Expenses associated with installation and training on the equipment are NOT to be reported.

2. Outreach Expenses

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide job descriptions of outreach staff.
- c) Identify and explain the expenses included in outreach.
- d) The cost of equipment given to, sold to, and/or used by relay callers, and call incentives are NOT to be reported in any expenses.
- e) Expenses associated with installation and training on customer premises' equipment are NOT to be reported. See discussion of at paragraph 82 and Declaratory Ruling at paragraphs 89-94 of the Commission's Report and Order and Declaratory Ruling , released on November 19, 2007 (FCC 07-186).

3. Sub Contractor Expenses (No additional information is needed)

4. Software (No additional information is needed)

5. Customer Premise Equipment

- a) Provide a detailed schedule of the number of employees and the components of their compensation, including salaries and benefits.
- b) Provide the number of Customer Premise Equipment units sold, produced and installed.
- c) Provide the Cost of Goods Sold.

- 6. Other - Do not include "Profit or Tax Allowances". List and explain expenses not stated in other categories.

SECTION F Capital Investments

Support data for capital investment should include where appropriate, among other things: all capital equipment purchased in order to provide each form of TRS, itemized by equipment class, gross book values, accumulated depreciation, and net book values. Only report the year end net book value in Section F. Support data for VRS equipment should separately identify investments used by communications assistants and interpreters to interact with end-users, and equipment used to monitor and supervise call centers. For each type of equipment provide gross book values, accumulated depreciation and net book values. For equipment used to monitor and supervise call centers that provide multiple TRS services, provide the total company investments, describe how total investments are allocated among the services, and the percent allocation for each service.

Only include capital investment items that are long term in nature and subject to depreciation. Items such as office supplies should be listed in Section B. 6. Relay Center Expenses.

SECTION G Costs Associated with E911 and Numbering for Internet-Based Telecommunications Relay Services

Provide the total number of E911 calls handled for the years 2010 – 2011.

Interstate TRS Fund

Annual Provider Information

Provider Name
Contact Name
Contact Email Address
Contact Telephone

To assist RLSA in understanding your data, in the box below, please summarize any service changes/activities/improvements since the 2011 filing, or planned for tariff year 2012-2013 (July thru June), that caused/may cause substantial changes in cost and/or demand data. Include the methodology used to determine the projected minutes for calendar years 2012 and 2013. Examples: addition of a state; loss of a state contract; increase in volumes due to specific outreach program; call volume decrease due to use of internet or other non-TRS technology; decrease in minutes due to new, time saving technology; changes in volumes due to abnormal weather conditions; etc. Include any characteristics unique to a particular service or changes in the relay services marketplace as a whole.

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Should you have questions about completing or submitting these forms, please see the filing instructions.

_____ swears under penalty of perjury that an officer of the above-named reporting entity has examined this filing and that all requested information has been provided and all statements of fact, are true and accurate.

[illegible]

Additional Provider-Paid Costs for Calendar Year 2011

[illegible]

Additional Costs Paid to Provider for Calendar Year 2011

[illegible]

Interstate TRS Fund

Rolka Loube Saltzer Associates

Video Relay Services Expense and Capital Investments Data

Provider:	Actuals		Projection	
	2010	2011	2012	2013
A. Annual Recurring Fixed / Semi-Variable Expenses				
1. Rent				
2. Utilities				
3. Building Maintenance				
4. Property Tax (if owned)				
5. Furniture (if leased)				
6. Office Equipment (if leased)				
Total	\$ -	\$ -	\$ -	\$ -
B. Annual Recurring Variable Expenses (Direct TRS Operating Expenses)				
1. Salaries & Benefits (Relay Center: Non - Management)				
2. Salaries & Benefits (Relay Center: Management)				
3. Salaries & Benefits (Relay Center Staff)				
4. Telecommunications Expenses				
5. Billing Expenses				
6. Relay Center Expenses				
Total	\$ -	\$ -	\$ -	\$ -
C. Annual Administrative Expenses				
1. Finance/Accounting				
2. Legal/Regulatory				
3. Engineering				
4. Research and Development				
5. Operations Support				
6. Human Resources				
7. Billing				
8. Contract Management				
9. Risk Management				
10. Other Corporate Overheads				
Total	\$ -	\$ -	\$ -	\$ -
D. Annual Depreciation Associated with Capital Investment				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
E. Other TRS Expenses				
1. Marketing/Advertising Expenses				
2. Outreach Expenses				
3. Sub Contractor Expenses				
4. Software				
5. Customer Premise Equipment				
6. Other				
Total	\$ -	\$ -	\$ -	\$ -
F. Capital Investments				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
G. Costs Associated with E911 and Numbering with Internet-Based Telecommunications Relay Services				

Interstate TRS Fund

Rolka Loube Saltzer Associates

IP Services Expense and Capital Investments Data

Provider:	Actuals		Projection	
	2010	2011	2012	2013
A. Annual Recurring Fixed / Semi-Variable Expenses				
1. Rent				
2. Utilities				
3. Building Maintenance				
4. Property Tax (if owned)				
5. Furniture (if leased)				
6. Office Equipment (if leased)				
Total	\$ -	\$ -	\$ -	\$ -
B. Annual Recurring Variable Expenses (Direct TRS Operating Expenses)				
1. Salaries & Benefits (Relay Center: Non - Management)				
2. Salaries & Benefits (Relay Center: Management)				
3. Salaries & Benefits (Relay Center Staff)				
4. Telecommunications Expenses				
5. Billing Expenses				
6. Relay Center Expenses				
Total	\$ -	\$ -	\$ -	\$ -
C. Annual Administrative Expenses				
1. Finance/Accounting				
2. Legal/Regulatory				
3. Engineering				
4. Research and Development				
5. Operations Support				
6. Human Resources				
7. Billing				
8. Contract Management				
9. Risk Management				
10. Other Corporate Overheads				
Total	\$ -	\$ -	\$ -	\$ -
D. Annual Depreciation Associated with Capital Investment				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
E. Other TRS Expenses				
1. Marketing/Advertising Expenses				
2. Outreach Expenses				
3. Sub Contractor Expenses				
4. Software				
5. Customer Distributed Equipment				
6. Other				
Total	\$ -	\$ -	\$ -	\$ -
F. Capital Investments				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
G. Costs Associated with E911 and Numbering with Internet-Based Telecommunications Relay Services				

Interstate TRS Fund

Annual IP and VRS Demand Data

Provider:

Interstate Internet Protocol (IP) Conversation Minutes

	Actuals		Projected	
	2010	2011	2012	2013
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Video Relay Service (VRS) Conversation Minutes

	Actuals		Projected	
	2010	2011	2012	2013
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

TRS STS Intrastate Rates
Information for 2011

Appendix C

	TRS rate	session or conversation	STS rate
State rate	\$ 5.494	conversation	\$ 99.576
State rate	\$ 3.790	conversation	\$ 3.790
State rate	\$ 3.735	conversation	\$ -
State rate	\$ 2.640	conversation	\$ 2.610
State rate	\$ 2.150	conversation	\$ 2.150
State rate	\$ 1.900	conversation	\$ 3.260
State rate	\$ 1.810	conversation	\$ 1.810
State rate	\$ 1.770	conversation	\$ 1.770
State rate	\$ 1.760	conversation	\$ 1.760
State rate	\$ 1.760	conversation	\$ -
State rate	\$ 1.750	conversation	\$ 1.750
State rate	\$ 1.720	conversation	\$ 1.720
State rate	\$ 1.590	conversation	\$ 2.390
State rate	\$ 1.500	conversation	\$ 1.500
State rate	\$ 1.431	conversation	\$ 1.430
State rate	\$ 1.390	conversation	\$ 1.390
State rate	\$ 1.300	conversation	\$ 1.300
State rate	\$ 1.290	conversation	\$ 1.290
State rate	\$ 1.280	conversation	\$ 1.280
State rate	\$ 1.270	conversation	\$ 1.270
State rate	\$ 1.250	conversation	\$ 1.250
State rate	\$ 1.200	conversation	\$ 1.200
State rate	\$ 1.190	conversation	\$ 1.190
State rate	\$ 1.055	conversation	\$ 1.055
State rate	\$ 1.050	conversation	\$ 1.050
State rate	\$ 1.050	conversation	\$ 1.050
State rate	\$ 3.700	session	\$ 3.700
State rate	\$ 3.470	session	\$ 3.470
State rate	\$ 2.800	session	\$ 2.800
State rate	\$ 1.900	session	\$ 1.900
State rate	\$ 1.550	session	\$ 1.550
State rate	\$ 1.470	session	\$ 1.470
State rate	\$ 1.390	session	\$ 1.390
State rate	\$ 1.350	session	\$ 1.350
State rate	\$ 1.300	session	\$ 1.300
State rate	\$ 1.260	session	\$ 1.260
State rate	\$ 1.260	session	\$ 1.260
State rate	\$ 1.230	session	\$ 1.230
State rate	\$ 1.200	session	\$ 1.200
State rate	\$ 1.190	session	\$ 1.190
State rate	\$ 1.180	session	\$ 1.180
State rate	\$ 1.170	session	\$ 1.170
State rate	\$ 1.150	session	\$ 1.150
State rate	\$ 1.120	session	\$ 1.120

TRS STS Intrastate Rates
Information for 2011

Appendix C

State rate	\$ 1.090	session	\$ 1.090
State rate	\$ 1.080	session	\$ 1.080
State rate	\$ 1.080	session	\$ 1.080
State rate	\$ 1.050	session	\$ 1.050
State rate	\$ 1.050	session	\$ 1.050
State rate	\$ 1.030	session	\$ 1.030
State rate	\$ 0.990	session	\$ 0.990
State rate	\$ 0.990	session	\$ 0.990
State rate	\$ 0.990	session	\$ 0.990
State rate	\$ 0.990	session	\$ 0.990
State rate	\$ 0.963	session	\$ 0.963
State rate	\$ 0.950	session	\$ 0.950
State rate	\$ 0.950	session	\$ 0.950
State rate	\$ 0.950	session	\$ 0.950
State rate	\$ 0.930	session	\$ 0.930
State rate	\$ 0.930	session	\$ 0.930
State rate	\$ 0.920	session	\$ 0.920
State rate	\$ 0.910	session	\$ 0.910
State rate	\$ 0.900	session	\$ 0.900
State rate	\$ 0.890	session	\$ 0.890
State rate	\$ 0.890	session	\$ 0.890
State rate	\$ 0.890	session	\$ 0.890
State rate	\$ 0.890	session	\$ 0.890
State rate	\$ 0.890	session	\$ 0.890
State rate	\$ 0.890	session	\$ 0.890
State rate	\$ 0.880	session	\$ 0.880
State rate	\$ 0.870	session	\$ 0.870
State rate	\$ 0.850	session	\$ 0.850
State rate	\$ 0.760	session	\$ 0.760

Captioned Telephone Service
Intrastate Rate Information 2011

Appendix D

	per minute rate	session or conversation
State rate	\$ 2.64	conversation
State rate	\$ 1.87	conversation
State rate	\$ 1.86	conversation
State rate	\$ 1.85	conversation
State rate	\$ 1.82	conversation
State rate	\$ 1.82	conversation
State rate	\$ 1.81	conversation
State rate	\$ 1.80	conversation
State rate	\$ 1.80	conversation
State rate	\$ 1.79	conversation
State rate	\$ 1.79	conversation
State rate	\$ 1.78	conversation
State rate	\$ 1.78	conversation
State rate	\$ 1.77	conversation
State rate	\$ 1.76	conversation
State rate	\$ 1.76	conversation
State rate	\$ 1.72	conversation
State rate	\$ 1.71	conversation
State rate	\$ 1.69	conversation
State rate	\$ 1.69	conversation
State rate	\$ 1.64	conversation
State rate	\$ 1.63	conversation
State rate	\$ 1.61	conversation
State rate	\$ 1.45	conversation
State rate	\$ 1.29	conversation
State rate	\$ 1.90	session
State rate	\$ 1.82	session
State rate	\$ 1.72	session
State rate	\$ 1.72	session
State rate	\$ 1.72	session
State rate	\$ 1.69	session
State rate	\$ 1.68	session
State rate	\$ 1.66	session
State rate	\$ 1.63	session
State rate	\$ 1.63	session
State rate	\$ 1.62	session
State rate	\$ 1.60	session
State rate	\$ 1.60	session
State rate	\$ 1.60	session
State rate	\$ 1.60	session
State rate	\$ 1.59	session
State rate	\$ 1.59	session
State rate	\$ 1.58	session
State rate	\$ 1.58	session

Captioned Telephone Service
Intrastate Rate Information 2011

Appendix D

State rate	\$ 1.57	session
State rate	\$ 1.57	session
State rate	\$ 1.57	session
State rate	\$ 1.56	session
State rate	\$ 1.55	session
State rate	\$ 1.55	session
State rate	\$ 1.54	session
State rate	\$ 1.54	session
State rate	\$ 1.54	session
State rate	\$ 1.54	session
State rate	\$ 1.52	session
State rate	\$ 1.52	session
State rate	\$ 1.52	session
State rate	\$ 1.52	session
State rate	\$ 1.51	session
State rate	\$ 1.50	session
State rate	\$ 1.49	session
State rate	\$ 1.49	session
State rate	\$ 1.47	session
State rate	\$ 1.45	session
State rate	\$ 1.45	session
State rate	\$ 1.45	session
State rate	\$ 1.45	session
State rate	\$ 1.44	session
State rate	\$ 1.40	session
State rate	\$ 1.39	session

Twenty jurisdictions had two rate levels during the year.
One Jurisdiction had four rate levels during the year.
Michigan information is not available for this Exhibit.

Interstate TRS Fund
Advisory Council Members

Exhibit E

Office			Officer			
	SEAT	Representing	NAME	TERM	TITLE	EMPLOYER
1	Deaf and Hard of Hearing community #1	Deaf and Hard of Hearing community #1	Robert W. Lichtenberg	4/08 - 3/12	Assistant Director	Office of the Deaf and Hard of Hearing
2	Deaf and Hard of Hearing community #2 (deaf consumer)	Deaf and Hard of Hearing community #2	Sheila Conlon-Mentkowski (Vice-Chair)	4/06 - 3/14		
3	Hearing/Speech Disabled Consumer	Hearing/Speech Disability Community	Rebecca Ladew	8/10 - 7/14		
4	State regulatory #1	State regulatory #1	Amy Ignatius	8/11-7/15	Commissioner	New Hampshire Public Service Commission
5	State regulatory #2	State regulatory #1	Tim Schram	8/11-7/15	Commissioner	Nebraska Public Service Commission
6	State regulatory – Relay administration #1	State Relay Administration #1	Jack R. Cassell	8/07 - 7/15	TRS Contract Administrator	Wisconsin Department of Administration Division of Enterprise Technology
7	State regulatory – Relay administration #2	State Relay Administration #2	Brenda Kelly-Frey	4/08 - 3/12	Director MD Relay	State of Maryland, Dept. of Budget & Management
8	TRS Contributors	TRS Contributors #1	Gail Sanchez	8/03 - 7/12	Senior Product Marketing Manager	AT&T
9		TRS Contributors #2	vacant			
10	TRS Providers #1	TRS Providers #1	Kelby Brick (Chair)	4/07 - 3/15	Vice President, Regulatory & Strategic Policy	Purple Communications Inc.

Interstate TRS Fund
Advisory Council Members

Exhibit E

Office			Officer			
	SEAT	Representing	NAME	TERM	TITLE	EMPLOYER
11	TRS Providers 2	TRS Providers 2	Mark A. Tauscher	4/10 - 3/14	Product Innovation Analyst III	Sprint
12	TRS Users #1	TRS Users #1	Ron Bibler	10/07 - 9/15	Secretary	Bibler Financial Group
13	TRS Users #2	TRS Users #2	Andrew Phillips	9/19/11 - 9/19/15	Policy Attorney	Law & Advocacy Center, Nat'l Ass'n for the Deaf

TRS FUND PERFORMANCE STATUS REPORT

Funding Year July 2011 - June 2012

FUND STATUS AS OF July 31, 2011

Fund Balance	\$	121.9	Million
Contributions Received	\$	25.0	Million
Receivables	\$	81.6	Million
Provider Payments	\$	58.5	Million

Investments

Treasury Bill Matures	8/18/2011	\$	56.0	million
Treasury Bill Matures	8/25/2011	\$	5.7	million
Treasury Bill Matures	9/22/2011	\$	12.5	million

Payments to NECA for Administrative Expenses	\$	-	Thousand
Rolka Loube Saltzer Associates	\$	68.90	Thousand
- Council Expenses	\$	-	Thousand

Payments for E911/10 Digit Numbering DB	\$	32.10	Thousand
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May 2011 minutes reimbursed in July, 2011 - \$58.4M (Projection - \$54.0M)

Category	Interstate TRS	Interstate CTS VCO	All IP	Interstate STS	All IP CTS	All VRS	VRS Minutes by Tier
PROJECTED			4,332,726		1,283,602	8,197,086	0-50,000 min
ACTUALS	444,540	822,413	4,180,796	12,624	2,141,224	8,852,226	315,156.5
DIFFERENCE			(151,930)		857,622	655,140	50,001-500,000 min
% DIFFERENCE			-3.5%		66.8%	8.0%	1,491,339.5
RATE PER MINUTE	\$ 2.0256	\$ 1.6951	\$ 1.2985	\$ 3.1566	\$ 1.6951	See note	>500,000 min
REIMBURSEMENT	\$ 900,460.22	\$ 1,394,072.28	\$ 5,428,763.61	\$ 39,848.92	\$ 3,629,588.80	\$ 46,969,937.28	7,047,329.5
# OF PROVIDERS PAID FROM FUND	5(AT&T, Hamilton, KRSI, Sprint, Purple)	4 (AT&T, Hamilton, Sprint, KRSI)	7 (AT&T, Hamilton, Purple, Sorenson, Sprint, CAC, American Network)	5 (AT&T, KRSI, Hamilton, Sprint, Purple)	5 (Hamilton, Sprint, American Network, Sorenson, Purple)	9 (AT&T, CAC, Purple, Sorenson, Sprint, Healinc, SNAP, CSDVRS, American Network)	

VRS Tiered Rates: \$6.2390/min. for first 50,000 minutes, \$6.2335/min. for 50,001-500,000 minutes, \$5.0668/min. for minutes over 500,000

TOTAL PROVIDER PAYMENTS/MINUTES REIMBURSED

Category	Interstate TRS	Interstate CTS VCO	All IP (except int'l)	Interstate STS	All IP CTS	All VRS	Total
JULY- MAY 2011 PAYMENTS							
MAY-MARCH 2011 MINUTES							

PERFORMANCE STATUS REPORT

Funding Year July 2011 - June 2012

FUND STATUS AS OF August 31, 2011

Fund Balance	\$	136.2	Million
Contributions Received	\$	72.3	Million
Receivables	\$	82.5	Million
Provider Payments	\$	58.0	Million

Investments

Treasury Bill Matures	9/22/2011	\$	12.5 million
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Payments to NECA for Administrative Expenses	\$	(55.60)	Thousand
Rolka Loube Saltzer Associates	\$	72.30	Thousand
- Council Expenses	\$	-	Thousand
Payments for E911/10 Digit Numbering DB	\$	32.10	Thousand

June 2011 minutes reimbursed in August, 2011 - \$57.9M (Projection - \$54.0M)

Category	Interstate TRS	Interstate CTS VCO	All IP	Interstate STS	All IP CTS	All VRS	VRS Minutes by Tier
PROJECTED			4,478,678		1,334,415	8,261,456	0-50,000 min
ACTUALS	434,889	768,451	3,913,752	10,576	2,242,747	8,815,503	320,310.6
DIFFERENCE			(564,926)		908,332	554,047	50,001-500,000 min
% DIFFERENCE			-12.6%		68.1%	6.7%	1,475,674.4
RATE PER MINUTE	\$ 2.0256	\$ 1.6951	\$ 1.2985	\$ 3.1566	\$ 1.6951	See note	>500,000 min
REIMBURSEMENT	\$ 880,910.96	\$ 1,302,601.80	\$ 5,082,006.58	\$ 33,385.46	\$ 3,801,680.10	\$ 46,763,525.98	7,019,517.6
# OF PROVIDERS PAID FROM FUND	5(AT&T, Hamilton, KRSI, Sprint, Purple)	4 (AT&T, Hamilton, Sprint, KRSI)	7 (AT&T, Hamilton, Purple, Sorenson, Sprint, CAC, American Network)	5 (AT&T, KRSI, Hamilton, Sprint, Purple)	5 (Hamilton, Sprint, American Network, Sorenson, Purple)	9 (AT&T, CAC, Purple, Sorenson, Sprint, Healinc, SNAP, CSDVRS, American Network)	

VRS Tiered Rates: \$6.2390/min. for first 50,000 minutes, \$6.2335/min. for 50,001-500,000 minutes, \$5.0668/min. for minutes over 500,000

TOTAL PROVIDER PAYMENTS/MINUTES REIMBURSED

Category	Interstate TRS	Interstate CTS VCO	All IP (except int'l)	Interstate STS	All IP CTS	All VRS	Total
JULY- MAY 2011 PAYMENTS							
MAY-MARCH 2011 MINUTES							

PERFORMANCE STATUS REPORT

Funding Year July 2011 - June 2012

FUND STATUS AS OF September 30, 2011

Fund Balance \$ 133.6 Million
 Contributions Received \$ 48.2 Million
 Receivables \$ 94.4 Million
 Provider Payments \$ 50.9 Million

Investments

None

Payments to NECA for Administrative Expenses \$ - Thousand
 Rolka Loube Saltzer Accociat \$ 72.30 Thousand
 - Council Expenses \$ - Thousand
 Payments for E911/10 Digit Numbering DB \$ 32.10 Thousand

July 2011 minutes reimbursed in September, 2011 = \$50.8M (\$59.8M was projected)

Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	All VRS	VRS Minutes by Tier
PROJECTED MINS	469,976	1,004,153	4,297,184	15,360	2,635,312	8,833,205	0-50,000 min
ACTUAL MINS	427,093	774,363	3,865,274	10,879	2,334,783	8,346,198	317,145
DIFFERENCE	(42,883)	-	(431,910)	(4,481)	(300,530)	(487,007)	50,001-500,000 min
% DIFFERENCE							1,463,702
RATE PER MINUTE	\$ 1.8611	\$ 1.7630	\$ 1.2920	\$ 2.9921	\$ 1.7630	See VRS rates =>	>500,000 min
REIMBURSEMENT	\$ 794,863	\$ 1,365,202	\$ 1,549,485	\$ 32,551	\$ 4,092,454	\$ 42,962,182	6,565,351
# OF PROVIDERS PAID FROM FUND	5(AT&T, Hamilton, KRSI, Sprint, Purple)	4 (AT&T, Hamilton, Sprint, KRSI)	6(AT&T, Hamilton, Sorenson, Purple Comm, Sprint, American Network)	5 (AT&T, KRSI, Hamilton, Sprint, Purple)	5 (Hamilton, Sprint, American Network, Sorenson, Purple)	9 (AT&T, CAC, Purple, Sorenson, Sprint, Healinc, SNAP, CSDVRS, American Network)	

VRS Tiered Rates: \$6.2390/min. for first 50,000 minutes, \$6.2335/min. for 50,001-500,000 minutes, \$5.0668/min. for minutes over 500,000

TOTAL PROVIDER PAYMENTS/MINUTES REIMBURSED

Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	VRS	Total
July 2011- Sep 2011 PAYMENTS	\$2,576,235	\$ 4,061,876	\$ 11,523,823	\$ 105,786	\$ 11,523,723	\$ 136,695,646	\$ 166,487,089
May-July 2011 MINUTES	1,306,522	2,365,228	9,293,640	34,080	6,705,272	30,292,679	\$ 49,997,420

Interstate TRS Fund

PERFORMANCE STATUS REPORT

Funding Year July 2011 - June 2012

FUND STATUS AS OF October 31, 2011

Fund Balance	\$	128.6	Million
Contributions Received	\$	57.3	Million
Receivables	\$	94.3	Million
Provider Payments	\$	62.0	Million
Investments	\$	80.2	Million

Payments to NECA for Administrative Expenses	\$	-	Thousand
Rolka Loube Saltzer Associates	\$	72.30	Thousand
- Council Expenses	\$	6.80	Thousand
Payments for E911/10 Digit Numbering DB	\$	32.10	Thousand

Minutes reimbursed in October, 2011 = \$62.0M (\$60.3M was projected)

Category	Interstate CTS					VRS Minutes by Tier	
	Interstate TRS	VCO	IP	Interstate STS	IP CTS	All VRS	
PROJECTED MINS	469,976	1,004,153	4,297,184	15,360	2,635,312	8,833,205	0-50,000 min
ACTUAL MINS	451,094	810,657	5,024,388	12,274	2,650,866	9,195,416	261,700
DIFFERENCE	(18,882)	(193,496)	727,205	(3,086)	15,553	362,211	50,001-500,000 min
% DIFFERENCE	-4.0%	-19.3%	16.9%	-20.1%	0.6%	4.1%	1,400,320
RATE PER MINUTE	\$ 1.8611	\$ 1.7630	\$ 1.2920	\$ 2.9921	\$ 1.7630	See VRS rates =>	>500,000 min
REIMBURSEMENT	\$ 839,530	\$ 1,429,187	\$ 6,491,511	\$ 36,725	\$ 4,673,476	\$ 48,528,363	7,533,396
# OF PROVIDERS PAID FROM FUND	5(AT&T, Hamilton, KRSI, Sprint, Purple)	4 (AT&T, Hamilton, Sprint, KRSI)	7 (AT&T, CAC, Hamilton, Sorenson, Purple Comm, Sprint, American Network)	5 (AT&T, KRSI, Hamilton, Sprint, Purple)	5 (Hamilton, Sprint, American Network, Sorenson, Purple)	9 (AT&T, CAC, Purple, Sorenson, Sprint, Healinc, SNAP, CSDVRS, American Network)	

VRS Tiered Rates: \$6.2390/min. for first 50,000 minutes, \$6.2335/min. for 50,001-500,000 minutes, \$5.0668/min. for minutes over 500,000

TOTAL PROVIDER PAYMENTS/MINUTES REIMBURSED

Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	VRS	Total
July 2011- Oct 2011 PAYMENTS	\$ 3,415,764	\$ 5,491,064	\$ 18,551,507	\$ 142,511	\$ 16,197,200	\$ 185,227,499	\$ 229,025,544
May-Aug 2011 MINUTES	\$ 1,757,617	\$ 3,175,884	\$ 14,318,028	\$ 46,354	\$ 9,356,138	\$ 39,015,117	\$ 67,669,138

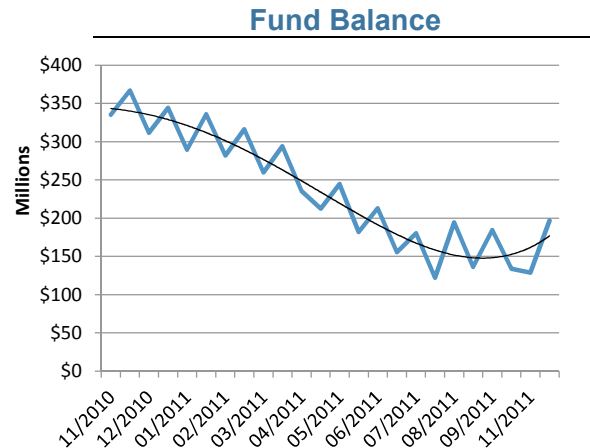
Interstate TRS Fund Performance Status Report

Funding Year July 2011 - June 2012

Prepared by Rolka Loube Saltzer Associates

November 2011

	Actual	
Opening Balance	\$ 128,604,662	
Receipts		
Receipts from Carriers	\$ 68,497,438	
Interest Received	\$ 50,000	
Miscellaneous	\$ -	
Total Receipts	\$ 68,547,438	+\$ 68,547,438
Disbursements		
Service Provider Support	\$ 56,225,089	
Council Meeting Expenses	\$ 8,942	
Administration	\$ 72,310	
E911/10 Digit Number DB	\$ 32,083	
Miscellaneous	\$ 11,080	
Total Disbursements	\$ 56,349,505	-\$ 56,349,505
Closing Balance		\$ 140,802,595



Projected vs Paid During November 2011

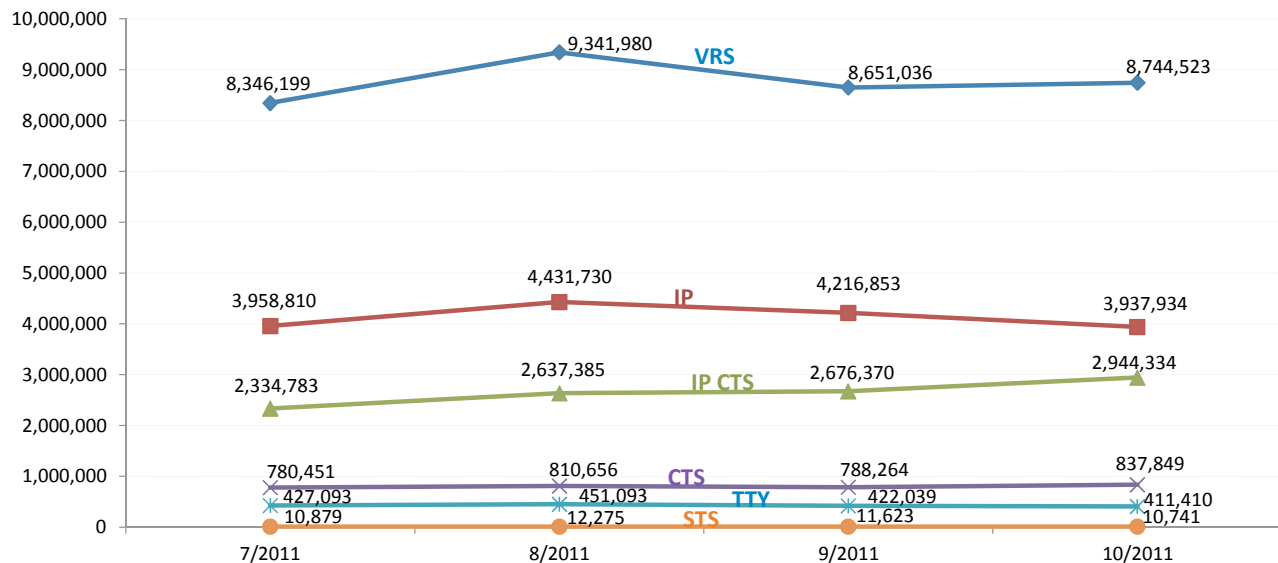
Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	All VRS	Total
Projected Minutes	469,976	1,004,153	4,297,184	15,360	2,635,312	8,833,205	
Rate Per Minute	\$ 1.8611	\$ 1.7630	\$ 1.2920	\$ 2.9921	\$ 1.7630	Multiple	
Projected Support	\$ 874,673	\$ 1,770,321	\$ 5,551,961	\$ 45,959	\$ 4,646,056	\$ 46,909,004	\$ 59,797,975
Total Support Paid*	\$ 785,457	\$ 1,435,447	\$ 3,374,293	\$ 34,778	\$ 4,718,440	\$ 45,876,674	\$ 56,225,089
Diff. Projected vs. Paid	\$ (89,216)	\$ (334,874)	\$ (2,177,668)	\$ (11,181)	\$ 72,384	\$ (1,032,330)	\$ (3,572,886)
% Difference	-10.2%	-18.9%	-39.2%	-24.3%	1.6%	-2.2%	
# of Providers Paid During Month	5 (AT&T, Hamilton, KRSI, Sprint, Purple)	4 (AT&T, Hamilton, Sprint, KRSI)	7 (AT&T, CAC, Hamilton, Sorenson, Purple Comm, Sprint, American Network)	5 (AT&T, KRSI, Hamilton, Sprint, Purple)	6 (AT&T, Hamilton, Sprint, American Network, Sorenson, Purple)	9 (AT&T, CAC, Purple, Sorenson, Sprint, Healinc, SNAP, CSDVRS, American Network)	

* May include support for minutes of services during past periods

Cumulative Rate-Year to Date Reimbursements to Providers

Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	VRS	Total
Jul 2011-Nov 2011	\$ 4,201,220	\$ 6,926,511	\$ 21,925,800	\$ 177,289	\$ 20,915,640	\$ 231,104,172	\$ 285,250,633
Jul 2010-Nov 2010	\$ 5,053,833	\$ 6,413,008	\$ 29,997,810	\$ 200,667	\$ 7,151,617	\$ 235,848,238	\$ 284,665,173

Reported minutes of service per month for each service type



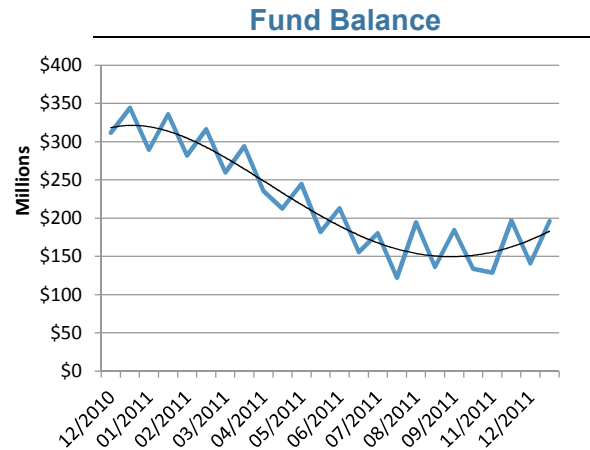
Interstate TRS Fund Performance Status Report

Funding Year July 2011 - June 2012

Prepared by Rolka Loube Saltzer Associates

December 2011

	Actual	
Opening Balance	\$ 140,802,595	
Receipts		
Receipts from Carriers	\$ 55,225,021	
Interest Received	\$ 56,250	
Miscellaneous	\$ -	
Total Receipts	\$ 55,281,271	+\$ 55,281,271
Disbursements		
Service Provider Support	\$ 58,384,507	
Council Meeting Expenses	\$ -	
Administration	\$ 72,310	
E911/10 Digit Number DB	\$ 32,083	
Miscellaneous	\$ 168,381	
Total Disbursements	\$ 58,657,281	-\$ 58,657,281
Closing Balance	\$ 137,426,586	



Projected vs Paid During December 2011

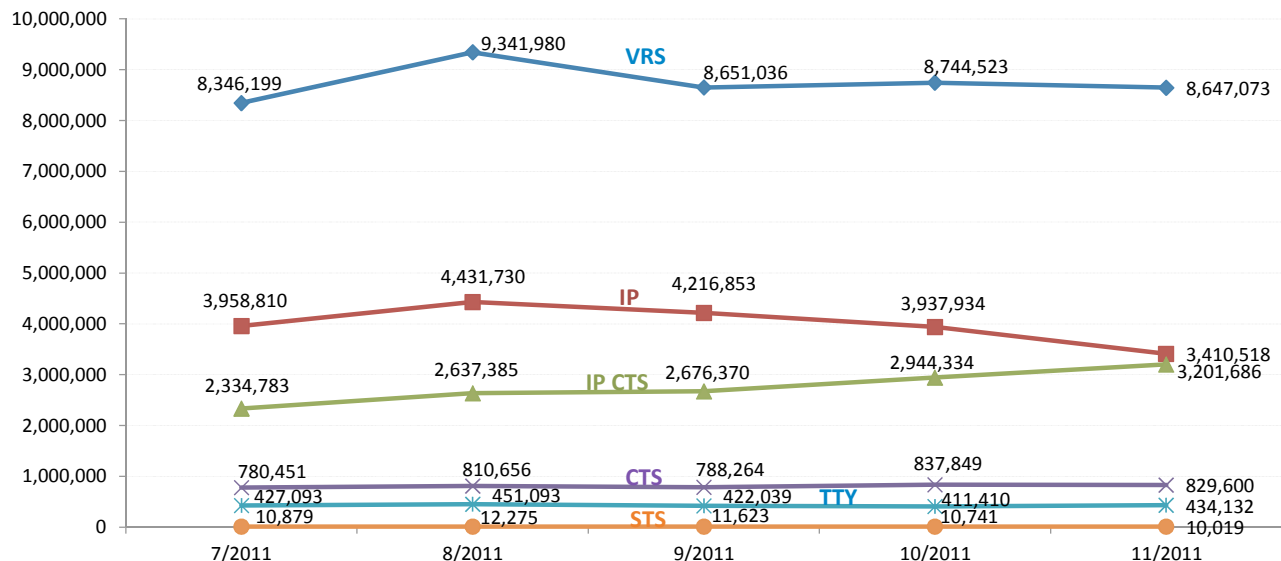
Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	All VRS	Total
Projected Minutes	469,976	1,004,153	4,297,184	15,360	2,635,312	8,833,205	
Rate Per Minute	\$ 1.8611	\$ 1.7630	\$ 1.2920	\$ 2.9921	\$ 1.7630	Multiple	
Projected Support	\$ 874,673	\$ 1,770,321	\$ 5,551,961	\$ 45,959	\$ 4,646,056	\$ 46,909,004	\$ 59,797,975
Total Support Paid*	\$ 765,675	\$ 1,477,128	\$ 4,341,677	\$ 32,137	\$ 5,190,861	\$ 46,575,675	\$ 58,383,153
Diff. Projected vs. Paid	\$ (108,998)	\$ (293,193)	\$ (1,210,285)	\$ (13,823)	\$ 544,805	\$ (333,329)	\$ (1,414,822)
% Difference	-12.5%	-16.6%	-21.8%	-30.1%	11.7%	-0.7%	
# of Providers Paid During Month	4 (AT&T, Hamilton, KRSI, Sprint)	5 (AT&T, Hamilton, Purple, Sprint, Sorenson)	6 (AT&T, CAC, Hamilton, Sorenson, Purple Comm, Sprint)	4 (AT&T, KRSI, Hamilton, Sprint)	6 (AT&T, Hamilton, Sprint, American Network, Sorenson, Purple Comm)	8 (AT&T, CAC, Purple Lang, Sorenson, Sprint, Healinc, SNAP, CSDVRS)	

* May include support for minutes of services during past periods

Cumulative Rate-Year to Date Reimbursements to Providers

Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	VRS	Total
Jul 2011-Dec 2011	\$ 4,966,895	\$ 8,403,639	\$ 26,267,477	\$ 209,426	\$ 26,106,501	\$ 277,679,847	\$ 343,633,786
Jul 2010-Dec 2010	\$ 6,071,263	\$ 7,705,774	\$ 35,516,420	\$ 245,292	\$ 8,991,265	\$ 279,437,641	\$ 337,967,655

Reported minutes of service per month for each service type



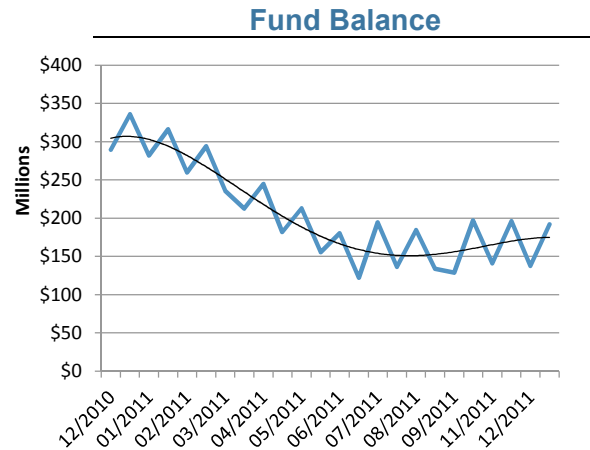
Interstate TRS Fund Performance Status Report

Funding Year July 2011 - June 2012

Prepared by Rolka Loube Saltzer Associates

January 2012

	Actual	
Opening Balance	\$ 137,426,586	
Receipts		
Receipts from Carriers	\$ 54,606,005	
Interest Received	\$ 18,750	
Miscellaneous	\$ -	
Total Receipts	\$ 54,624,755	+\$ 54,624,755
Disbursements		
Service Provider Support	\$ 53,158,745	
Council Meeting Expenses	\$ -	
Administration	\$ 75,151	
E911/10 Digit Number DB	\$ 32,083	
Miscellaneous	\$ 11,262	
Total Disbursements	\$ 53,277,242	-\$ 53,277,242
Closing Balance	\$ 138,774,099	



Projected vs Paid During January 2012

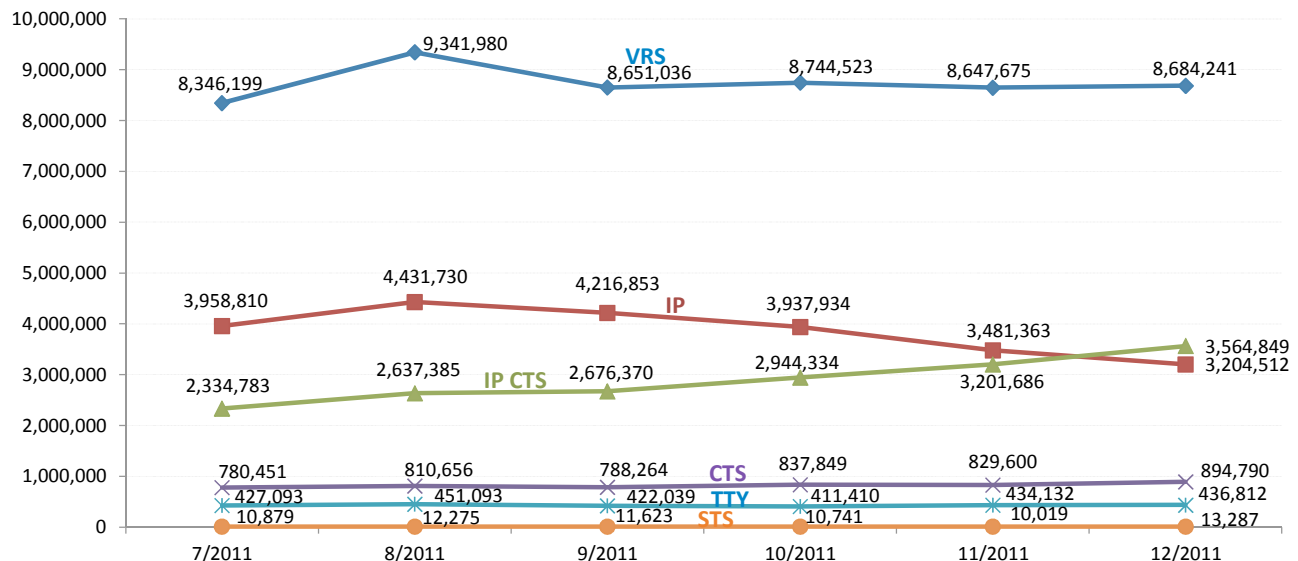
Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	All VRS	Total
Projected Minutes	469,976	1,004,153	4,297,184	15,360	2,635,312	8,833,205	
Rate Per Minute	\$ 1.8611	\$ 1.7630	\$ 1.2920	\$ 2.9921	\$ 1.7630	Multiple	
Projected Support	\$ 874,673	\$ 1,770,321	\$ 5,551,961	\$ 45,959	\$ 4,646,056	\$ 46,909,004	\$ 59,797,975
Total Support Paid*	\$ 389,498	\$ 519,060	\$ 3,819,758	\$ 20,706	\$ 2,992,493	\$ 45,417,231	\$ 53,158,745
Diff. Projected vs. Paid	\$ (485,175)	\$ (1,251,261)	\$ (1,732,203)	\$ (25,254)	\$ (1,653,563)	\$ (1,491,773)	\$ (6,639,230)
% Difference	-55.5%	-70.7%	-31.2%	-54.9%	-35.6%	-3.2%	
# of Providers Paid During Month	3 (AT&T, Hamilton, KRSI)	3 (AT&T, Hamilton, KRSI)	4 (AT&T, Hamilton, Sorenson, Purple Comm)	3 (AT&T, KRSI, Hamilton)	5 (AT&T, Hamilton, American Network, Sorenson, Purple Comm)	7 (AT&T, Purple Lang, Sorenson, Sprint, Healing, SNAP, CSDVRS)	

* May include support for minutes of services during past periods

Cumulative Rate-Year to Date Reimbursements to Providers

Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	VRS	Total
Jul 2011-Jan 2012	\$ 5,356,393	\$ 8,922,699	\$ 30,087,235	\$ 230,132	\$ 29,098,994	\$ 323,097,078	\$ 396,792,531
Jul 2010-Jan 2011	\$ 7,090,353	\$ 9,023,391	\$ 40,791,383	\$ 280,415	\$ 11,017,403	\$ 323,437,481	\$ 391,640,426

Reported minutes of service per month for each service type



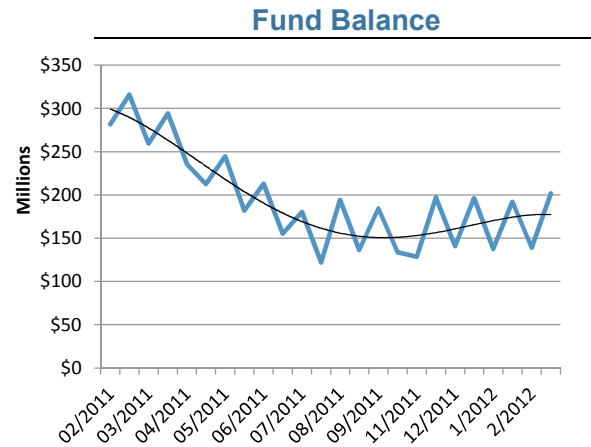
Interstate TRS Fund Performance Status Report

Funding Year July 2011 - June 2012

Prepared by Rolka Loube Saltzer Associates

February 2012

	Actual	
Opening Balance	\$ 138,774,099	
Receipts		
Receipts from Carriers	\$ 63,070,986	
Interest Received	\$ 6,250	
Miscellaneous	\$ -	
Total Receipts	\$ 63,077,236 + \$ 63,077,236	
Disbursements		
Service Provider Support	\$ 53,534,779	
Council Meeting Expenses	\$ -	
Administration	\$ 72,310	
E911/10 Digit Number DB	\$ 32,083	
Miscellaneous	\$ 37,346	
Total Disbursements	\$ 53,676,518 - \$ 53,676,518	
Closing Balance	\$ 148,174,816	



Projected vs Paid During February 2012

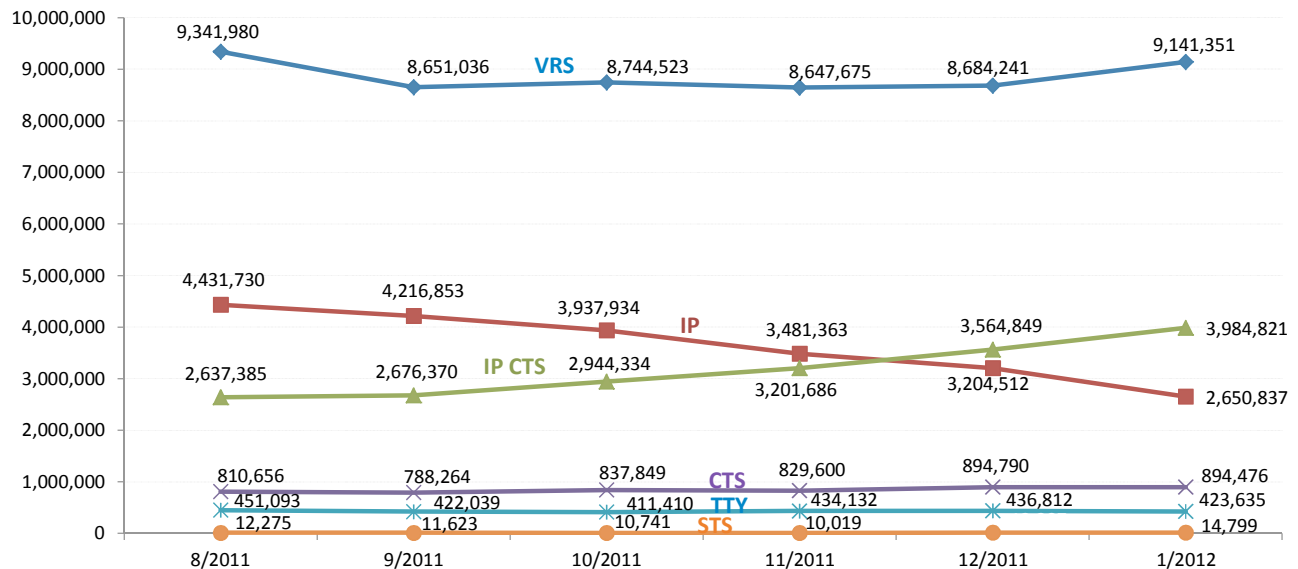
Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	All VRS	Total
Projected Minutes	469,976	1,004,153	4,297,184	15,360	2,635,312	8,833,205	
Rate Per Minute	\$ 1.8611	\$ 1.7630	\$ 1.2920	\$ 2.9921	\$ 1.7630	Multiple	
Projected Support	\$ 874,673	\$ 1,770,321	\$ 5,551,961	\$ 45,959	\$ 4,646,056	\$ 46,909,004	\$ 59,797,975
Total Support Paid*	\$ 400,208	\$ 572,543	\$ 3,466,847		\$ 3,478,978	\$ 45,589,203	
Diff. Projected vs. Paid	\$ (474,465)	\$ (1,197,778)	\$ (2,085,115)		\$ (1,167,078)	\$ (1,319,801)	see STS note
% Difference	-54.2%	-67.7%	-37.6%		-25.1%	-2.8%	
# of Providers Paid During Month	3 (AT&T, Hamilton, KRIS)	3 (AT&T, Hamilton, KRIS)	4 (AT&T, Hamilton, Sorenson, Purple Comm)	STS stats have been withheld to protect provider confidentiality	5 (AT&T, Hamilton, American Network, Sorenson, Purple Comm)	8 (AT&T, Purple Lang, Sorenson, Healinc, SNAP, CSDVRS, Convo, Gracias)	

* May include support for minutes of services during past periods

Cumulative Rate-Year to Date Reimbursements to Providers

Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	VRS	Total
Jul 2011-Feb 2012	\$ 5,756,601	\$ 9,495,242	\$ 33,554,082	see note above	\$ 32,577,972	\$ 368,686,281	see STS note
Jul 2010-Feb 2011	\$ 8,146,669	\$ 10,451,958	\$ 46,342,747	\$ 330,056	\$ 13,312,120	\$ 368,425,043	\$ 447,008,593

Reported minutes of service per month for each service type



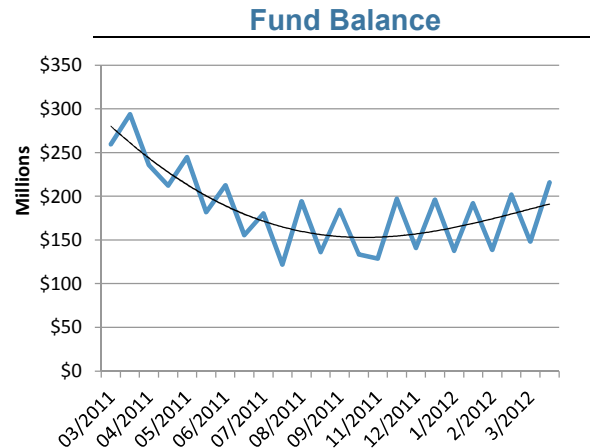
Interstate TRS Fund Performance Status Report

Funding Year July 2011 - June 2012

Prepared by Rolka Loube Saltzer Associates

March 2012

	Actual	
Opening Balance	\$ 148,174,816	
Receipts		
Receipts from Carriers	\$ 67,667,367	
Interest Received	\$ 6,250	
Miscellaneous	\$ -	
Total Receipts	\$ 67,673,617	+\$ 67,673,617
Disbursements		
Service Provider Support		
Council Meeting Expenses	\$ -	
Administration	\$ 75,504	
E911/10 Digit Number DB	\$ 152,083	
Miscellaneous	\$ 84,627	
Total Disbursements	-	
Closing Balance		



Projected vs Paid During March 2012

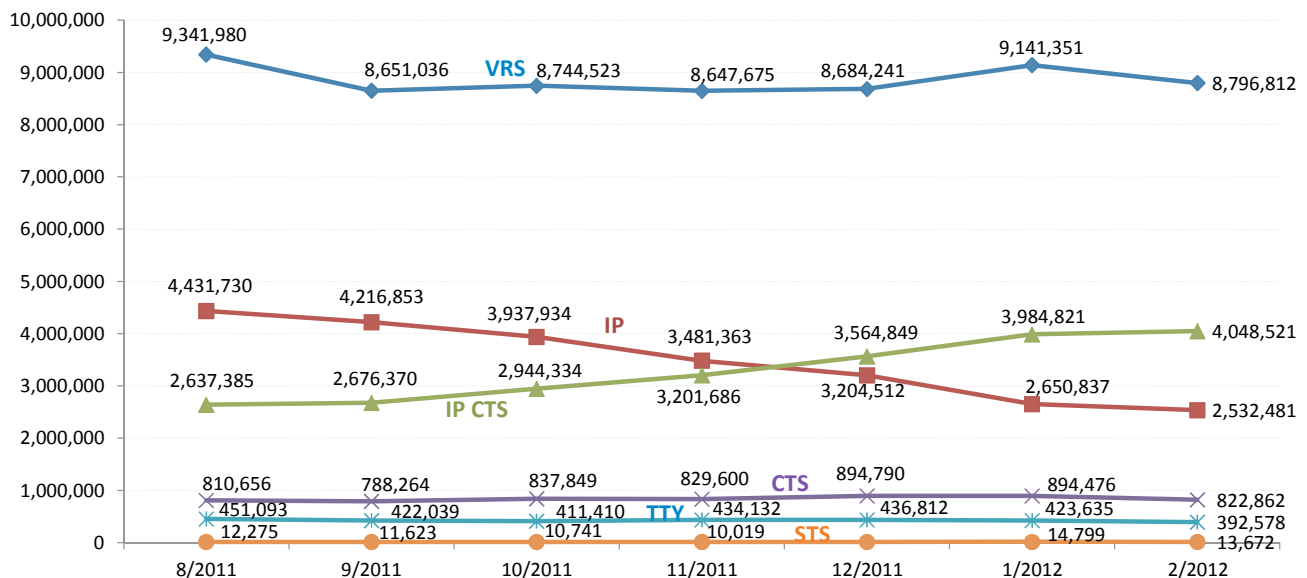
Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	All VRS	Total
Projected Minutes	469,976	1,004,153	4,297,184	15,360	2,635,312	8,833,205	
Rate Per Minute	\$ 1.8611	\$ 1.7630	\$ 1.2920	\$ 2.9921	\$ 1.7630	Multiple	
Projected Support	\$ 874,673	\$ 1,770,321	\$ 5,551,961	\$ 45,959	\$ 4,646,056	\$ 46,909,004	\$ 59,797,975
Total Support Paid*	\$ 1,619,636	\$ 3,525,458	\$ 1,115,300		\$ 12,422,190	\$ 48,275,005	
Diff. Projected vs. Paid	\$ 744,963	\$ 1,755,137	\$ (4,436,661)		\$ 7,776,134	\$ 1,366,001	
% Difference	85.2%	99.1%	-79.9%		167.4%	2.9%	
# of Providers Paid During Month	4 (AT&T, KRSI, Hamilton, Sprint)	4 (AT&T, KRSI, Hamilton, Sprint)		4(AT&T, KRSI, Hamilton, Sprint)	4(Hamilton, Sorenson, Purple C., Sprint)	8 (Convo, Gracias, Healinc, Snap, CSDVRS, Sorenson, Purple C., Sprint)	

* May include support for minutes of services during past periods

Cumulative Rate-Year to Date Reimbursements to Providers

Category	Interstate TRS	Interstate CTS VCO	IP	Interstate STS	IP CTS	VRS	Total
Jul 2011-Mar 2012	\$ 7,376,237	\$ 13,020,700	\$ 34,669,382		\$ 45,000,162	\$ 416,961,286	
Jul 2010-Mar 2011	\$ 8,146,669	\$ 10,451,958	\$ 46,342,747	\$ 330,056	\$ 13,312,120	\$ 368,425,043	\$ 447,008,593

Reported minutes of service per month for each service type



**Interstate TRS Advisory Council
Draft Meeting Minutes October 19, 2011
Salt Lake City, UT**

Attendees:

COUNCIL MEMBERS

Kelby Brick Chair – TRS providers
Sheila Conlon-Mentkowski Vice Chair – deaf and hard of hearing community
Ron Bibler Secretary – TRS users
Jack Cassell – State regulatory-relay administration
Connie Phelps alternate for Brenda KellyFrey - State regulatory-relay administration
Amy Ignatius - State regulatory
Tim Schram - State regulatory
Gail Sanchez – Interstate service providers
Mark Tauscher – TRS providers
Robert Lichtenberg – Deaf and Hard of Hearing community
Robert Segalman alternate for Rebecca Ladew – Hearing/Speech disability community

RLSA

Peter Bluhm
Robert Loube
Matt Saltzer

FCC

Greg Hlibok

Convene

Kelby Brick, Chair, called the meeting to order around 9:40 am. Mr. Brick asked council members and other attendees to introduce themselves.

Agenda

Chair Brick mentioned that the agenda was to be modified with a paper presented by Bob Segalman on speech to speech relay as well as the required election of officer. With no further comment, the agenda was accepted as presented.

April 14, 2011 Minutes

It was moved, seconded and approved that the minutes of the April 14, 2011 minutes be accepted with the modification of minor typographical revisions.

FCC Update and Discussion

Greg Hlibok, Chief in the Disability Rights Office was introduced as representing the FCC. Mr. Hlibok began by stating the transitioning with RLSA as the new Fund Administrator has gone smoothly and is working well. Mr. Hlibok distributed a spreadsheet detailing the number of unique telephone numbers that are registered in the iTRS database for Internet-based relay service, VRS and IP-Relay. He discussed various FCC Reports, Orders, NPRMs and petitions that the FCC had been involved with since the April Council meeting. He announced that he soon expected a release of a major NPRM to redesign VRS and a look at VRS structure, taking a look at a per-user type of scheme as compared to a per-minute reimbursement.

Mr. Hlibok then responded to questions from the Council.

RLSA Staff Reports

Bob Loube began by speaking on behalf of Rolka Loube Saltzer Associates, of Harrisburg PA. He discussed the role RLSA plays, their responsibilities and the data collection process. He then introduced Matt Saltzer who presented the Fund Status Reports. Mr. Saltzer stated that the format for the Fund Status Reports was still in development and wanted to produce a report with useful and meaningful data for the Council to review. He encouraged suggestions from the Council as to how the report could be improved. He also stated that some reports were no longer being provided as they were not part of the new FCC RFP that RLSA responded to and were awarded. Consequently, as the data was not being requested or collected, RLSA could not go back and generate the reports from the beginning of the transition period.

Mr. Saltzer mentioned that per contract the only report that gets posted on the RLSA website is the Fund Status report, although, RLSA does collect data and prepare numerous other reports for the FCC. In response to a question from Mr. Lichtenberg and Chair Brick, RLSA would prepare a list of those reports that they generate, without proprietary information, that the Council could consider if they want it distributed to the Council.

Council Member Agenda Items/New Business

Chair Brick began by bringing up the subject of alternates attending Council meetings. After discussion Mark Tauscher made a motion that was amended then seconded by Jack Cassell for the Bylaws subcommittee to look into the issue and report back to the full Council. Motion passed. Chair Brick appointed Sheila Conlon-Mentkowski chair of this subcommittee and requested that she set it up. A later motion was passed that the Bylaws subcommittee review the entire iTRS Fund Advisory Council bylaws.

Bob Segalman read a statement from the speech disabled community to the TRS Council regarding video speech to speech. Chair Brick encouraged Mr. Segalman to file his comments with the FCC.

The feasibility of a working meeting prior to the Spring Council meeting was brought up and discussed at length. Council members expressed a desire to be able to review and discuss major NPRMs that relate to TRS. It was decided that should there be such business to discuss prior to the Spring meeting, then the Council would discuss the issue during the planning for the Spring meeting.

A discussion ensued on how Council members could best be informed on FCC policy development that pertains to TRS matters. No consensus was reached, but a number of potential solutions were going to be looked into and brought back to the Council.

Bob Lichtenberg nominated all current officers to another term. The motion was seconded and passed.

Public Comment

There was no public comment offered.

Adjourn

The meeting was adjourned at 2:30 pm.

Respectfully submitted,

By Ron Bibler, Secretary

Interstate TRS Fund Advisory Council

Council Members

Kelby Brick, Chair
TRS Provider
Maryland

Sheila Conlon-
Mentkowski, Vice Chair
TRS User
California

Ron Bibler, Secretary
TRS User
Montana

Amy Ignatius
State Regulator
New Hampshire

Andrew Phillips
TRS User
Maryland

Brenda Kelly-Frey
State Relay
Administrator
Maryland

Gail Sanchez
TRS Fund Contributor
Illinois

Jack Cassell
State Relay
Administrator
Wisconsin

Mark Tauscher
TRS Provider
Kansas

Rebecca Ladew
TRS User
Maryland

Robert Lichtenberg
TRS User
Washington

Tim Schram
State Regulator
Nebraska

April 25, 2012

Gregory Hlibok, Chief
Disability Rights Office
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Subject: Concerns of the ITRS Fund Advisory Council

Dear Greg:

Thank you for joining our April 18, 2012 ITRS Fund Advisory Council meeting and sharing an update on the important regulatory issues facing our industry. The Council wanted to follow up with you on a few items of importance, 1) the possible discontinuance of IP-Relay by providers, 2) a desire by the council to review with the TRS Fund Administrator data pertaining to proposed rates for VRS prior to the time that the Administrator must make a filing to the Commission, 3) release of state by state minutes data and 4) the growth of IP-CTS.

Possible Discontinuance of IP Relay Service

As you saw during the meeting, the TRS Fund Administrator indicated that all providers of IP-Relay have not been paid for services provided in the months of January, February, March, and thus far in April. We realize not all these payments are immediately due to providers, however from the discussion at the meeting, it appears providers are operating with no knowledge as to whether payments are expected for these months, or what criteria will be evaluated in the consideration of a release of payments. The Fund Administrator was unable to provide any certainty on when those payments would be made.

Since the Council represents consumers, providers, state relay administrators, and TRS fund contributors, we share a collective concern about the possible domino effect of a discontinuance of IP-Relay by one or more providers who are no longer able to financially bear the risk associated with paying for the labor costs to deliver service with no indications as to whether payments will be made for services provided. We believe the future of IP-Relay is at risk due to uncertainty among providers related to categorical suspension of payments.

The Council urges the Commission to take steps to ensure timely reimbursements to providers and make interest payments on withheld reimbursements where the TRS Fund Administrator or the Commission ultimately determines the minutes at issue are compensable. We understand that Hamilton Relay has already filed a petition covering this subject as well.

We acknowledge, and fully support, the FCC's efforts to refresh the record from the 2006 NPRM on IP-Relay abuse and the FCC's new requirement that providers furnish call detail records with their submissions. We realize evaluations of these call detail records by the TRS Fund Administrator can require time for extensive review, but we request that a reasonable time frame be established to indicate either a specific date when providers will be paid for services rendered, or a specific date that providers will have clarity as to whether payments are forthcoming.

The record on the Docket clearly shows that IP Relay is important to deaf and hard of hearing users and we believe the risk of its discontinuance as a service is real based on the current reimbursement uncertainty and despite the guidance given in the April 2011 Order regarding payment processing.

The sudden discontinuance of IP-Relay service will not only have a significant impact on those users who rely on those service but also on the remaining service providers who will need to make quick adjustment in their labor forces to be able to meet speed of answer requirements. This issue thus has critical relevance not only to customer choice but also to competition, quality of service and costs that will be incurred against the iTRS Fund.

Review of Proposed VRS Rates

On the topic of proposed VRS rates, the Council does offer valuable input to the Administrator when given time to review industry data as we have done with the proposed rates for STS, TRS, CTS, IP-CTS and IP-Relay. We understand the Commission's concern about releasing information related to VRS rates only when the data is ready, and we acknowledge the Administrator has a duty to file its annual report and recommendations with the Commission by May 1. The Council respectfully requests that the FCC's directives on the topic of VRS rate proposals made by the Administrator take into consideration a review period whereby the Council and Administrator may review the Administrator's recommendations prior to its obligations to file its annual report and recommendation..

Release of State-by-State Minutes

One of the effects of the changes in TRS Fund Administrator from NECA to RLSA was the end of a monthly Video Relay Service Terminating Call/Minute Summary and Internet Relay Service Terminating Call/Minute Summary data report that identified the number of calls made and the number of minutes used on a per-state basis. The Council wishes to see a similar monthly report reinstated. The Council wishes the reports be released in the same format detailing originating rather than terminating calls and minutes. The Fund Administrator was unclear on whether it has the authority to release this information. Before the traditional report was discontinued, state regulators and state relay administrators found this information very relevant. Your support of the continuation of this monthly report would be most appreciated.

Growth of IP-CTS

The TRS Administrator reported on its expectations of continued rapid growth of IP-CTS services, which will yet become another example of the FCC's success in carrying out the intents of the Americans with Disabilities Act. Since the 2007 Order authorizing reimbursement for IP-CTS, there have, however, been no meaningful rules developed related to this service, including issues such as registration and verification. The Council has consistently in past meetings brought up concerns about protecting the integrity of this important service. The TRS Council believes in the value of IP-CTS for people who need the service and given the size of the potential user community, we encourage the Commission to take the lessons being learned with VRS and IP-Relay and to be proactive in addressing potential issues through rulemaking informed by stakeholder input.

Thank you again for attending our spring Council meeting and for considering our requests.

Respectfully,

Members of the Council

Cc: Sean Lev, FCC
Karen Peltz-Strauss, FCC
Robert Aldrich, FCC
Dave Rolka, RLSA

Data from Certified State Programs
TRS and STS Compensation

Exhibit 1-1

TRS Intrastate Compensation					STS Intrastate Compensation				
TRS Per Minute Intrastate Compensation Rate	Session or Conversation	Total Intrastate Conversation Minutes	Total Intrastate Session Minutes	Product of Compensation Rate and Minutes	STS Per Minute Intrastate Compensation Rate	Session or Conversation	Total Intrastate Conversation Minutes	Total Intrastate Session Minutes	Product of Compensation Rate and Minutes
\$ 0.89	SM	46,602.00	73,384.00	\$ 65,311.76	\$ 0.89	SM	1,251.88	28.00	\$ 24.92
\$ 1.05	SM	234,917.00	395,037.00	\$ 414,788.85	\$ 1.05	SM	2.00	255.00	\$ 267.75
\$ 1.55	SM	36,878.47	64,111.00	\$ 99,372.05	\$ 1.55	SM	91.00	1,702.00	\$ 2,638.10
\$ 1.43	CM	269,974.00	505,856.75	\$ 386,332.79	\$ 1.43	CM	1,134.00	1,397.36	\$ 1,622.75
\$ 1.30	CM	146,216.31	246,103.61	\$ 190,081.20	\$ 1.30	CM	67.90	90.91	\$ 88.27
\$ 1.59	CM	1,217,140.00	1,640,431.00	\$ 1,935,252.60	\$ 2.39	SM	184,596.33	246,328.00	\$ 588,723.92
\$ 1.90	CM	1,354,776.00	2,255,805.10	\$ 2,574,074.40	\$ 3.26	SM	51,254.04	97,656.00	\$ 318,358.56
\$ 0.89	SM	147,383.00	250,870.00	\$ 223,274.30	\$ 0.89	SM	209.00	623.00	\$ 554.47
\$ 0.93	SM	142,972.00	242,712.00	\$ 225,722.16	\$ 0.93	SM	101.00	230.00	\$ 213.90
\$ 0.95	SM	366,307.43	534,591.00	\$ 507,861.45	\$ 0.95	SM	998.83	2,002.00	\$ 1,901.90
\$ 1.23	SM	55,578.88	87,465.00	\$ 107,581.95	\$ 1.23	SM	0.00	33.00	\$ 40.59
\$ 1.30	SM	29,623.13	94,744.00	\$ 123,167.20	\$ 1.30	CM	54.46	90.95	\$ 70.80
\$ 1.05	SM	31,289.61	58,299.00	\$ 61,213.95	\$ 1.05	SM	361.19	507.36	\$ 532.73
\$ 0.85	SM	566,682.00	1,053,537.00	\$ 895,506.45	\$ 0.85	SM	6,138.00	11,787.00	\$ 10,018.95
\$ 0.89	SM	702,817.00	1,357,861.00	\$ 1,208,496.29	\$ 0.89	SM	4,855.00	8,333.00	\$ 7,416.37
\$ 0.96	SM	122,476.44	193,886.37	\$ 186,790.13	\$ 0.96	SM	27.28	117.92	\$ 113.60
\$ 1.20	SM	313,296.27	512,580.75	\$ 615,096.90	\$ 1.20	SM	183.75	453.74	\$ 544.49
\$ 1.90	SM	27,205.00	44,986.00	\$ 85,473.40	\$ 1.90	SM	0.00	19.00	\$ 36.10
\$ 1.19	SM	20,901.00	36,431.00	\$ 43,352.89	\$ 1.19	SM	69.00	133.00	\$ 158.27
\$ 1.76	CM	41,726.00	82,905.34	\$ 73,437.76	\$ 1.76	CM	23.00	57.90	\$ 40.48
\$ 1.19	CM	857,492.00	1,247,658.54	\$ 1,020,415.48	\$ 1.19	CM	11,739.00	21,580.05	\$ 13,969.41
\$ 0.90	SM	354,556.00	601,841.00	\$ 541,656.90	\$ 0.90	SM	147.00	386.00	\$ 347.40
\$ 0.92	SM	66,482.00	115,008.00	\$ 105,807.36	\$ 0.92	SM	1.00	10.00	\$ 9.20
\$ 1.81	CM	168,037.00	254,754.25	\$ 304,146.97	\$ 1.81	CM	256.97	1,236.26	\$ 465.12
\$ 1.08	SM	81,206.45	119,835.00	\$ 129,421.80	\$ 1.08	SM	203.23	418.00	\$ 451.44
\$ 1.09	SM	136,998.10	208,245.00	\$ 226,987.05	\$ 1.09	SM	206.03	422.00	\$ 459.98
\$ 0.87	SM	184,730.00	298,408.00	\$ 259,614.96	\$ 0.87	SM	6.00	178.00	\$ 154.86
\$ 0.95	SM	40,367.04	61,858.00	\$ 58,765.10	\$ 0.95	SM	0.75	35.00	\$ 33.25
\$ 1.68	CM	20,274.31	30,489.47	\$ 34,060.84	\$ 1.68	CM	1,087.46	2,424.76	\$ 1,826.93
\$ 1.76	CM	384,248.65	602,705.82	\$ 676,277.62	\$ 1.76	CM	14,694.90	42,249.55	\$ 25,863.02
\$ 2.64	CM	108,843.01	158,496.02	\$ 287,295.14	\$ 2.61	CM	0.25	86.84	\$ 0.65
\$ 3.47	SM	285,873.77	444,089.00	\$ 1,540,988.83	\$ 3.47	SM	9,137.15	15,197.00	\$ 52,733.59
\$ 3.70	SM	342,803.97	548,934.00	\$ 2,031,055.80	\$ 3.70	SM	11,386.21	21,771.00	\$ 80,552.70
\$ 3.79	CM	618,705.65	920,205.93	\$ 2,344,894.41	\$ 3.79	CM	14,668.37	23,566.93	\$ 55,593.12
\$ 1.72	CM	274,138.00	396,278.00	\$ 471,517.36	\$ 1.72	CM	6,863.00	13,320.00	\$ 11,804.36
\$ 1.77	CM	240,319.00	349,963.00	\$ 425,364.63	\$ 1.77	CM	7,114.00	14,696.00	\$ 12,591.78
\$ 0.89	SM	146,670.90	240,700.38	\$ 214,223.34	\$ 0.89	SM	0.00	57.61	\$ 51.27
\$ 0.99	SM	427,481.57	657,511.02	\$ 650,935.91	\$ 0.99	SM	634.60	1,304.25	\$ 1,291.21
\$ 1.50	CM	11,678.00	17,050.92	\$ 17,517.00	\$ 1.50	CM	3.00	7.26	\$ 4.50
\$ 1.75	CM	55,197.00	82,696.77	\$ 96,594.75	\$ 1.75	CM	1.00	19.18	\$ 1.75
\$ 1.12	SM	159,984.07	226,487.00	\$ 253,665.44	\$ 1.12	SM	1,063.57	1,753.44	\$ 1,963.85
\$ 0.95	SM	51,857.00	87,678.00	\$ 83,294.10	\$ 0.95	SM	0.00	14.00	\$ 13.30
\$ 1.03	SM	49,900.00	84,270.00	\$ 86,798.10	\$ 1.03	SM	11.00	36.00	\$ 37.08

Data from Certified State Programs
TRS and STS Compensation

Exhibit 1-1

TRS Intrastate Compensation					STS Intrastate Compensation				
TRS Per Minute Intrastate Compensation Rate	Session or Conversation	Total Intrastate Conversation Minutes	Total Intrastate Session Minutes	Product of Compensation Rate and Minutes	STS Per Minute Intrastate Compensation Rate	Session or Conversation	Total Intrastate Conversation Minutes	Total Intrastate Session Minutes	Product of Compensation Rate and Minutes
\$ 0.76	SM	49,887.78	90,948.00	\$ 69,120.48	\$ 0.76	SM	22.64	56.00	\$ 42.56
\$ 1.18	SM	580,426.07	921,651.00	\$ 1,087,548.18	\$ 1.18	SM	196.19	335.00	\$ 395.30
\$ 1.35	SM	55,682.84	88,687.00	\$ 119,727.45	\$ 1.35	SM	706.70	1,806.34	\$ 2,438.56
\$ 1.39	SM	49,998.95	82,437.00	\$ 114,587.43	\$ 1.39	SM	822.63	2,261.46	\$ 3,143.43
\$ 1.06	CM	862,214.00	1,451,535.00	\$ 909,635.77	\$ 1.06	CM	3,160.00	5,367.00	\$ 3,333.80
\$ 1.25	CM	782,087.00	1,360,291.00	\$ 977,608.75	\$ 1.25	CM	3,977.00	7,153.00	\$ 4,971.25
\$ 0.89	SM	407,567.88	667,167.90	\$ 593,779.43	\$ 0.89	SM	8,318.40	14,410.43	\$ 12,825.28
\$ 0.99	SM	66,370.30	100,168.34	\$ 99,166.66	\$ 0.99		7.72	40.35	\$ 39.95
\$ 0.88	SM	918,576.24	1,405,799.44	\$ 1,237,103.51	\$ 0.88	SM	9,335.17	20,397.56	\$ 17,949.85
\$ 0.89	SM	210,786.00	380,785.00	\$ 338,898.65	\$ 0.89	SM	6.00	51.00	\$ 45.39
\$ 0.91	SM	42,032.00	76,270.00	\$ 69,405.70	\$ 0.91	SM	4.00	11.00	\$ 10.01
\$ 1.05	CM	224,230.00	355,057.09	\$ 235,441.50	\$ 1.05	CM	411.00	1,240.91	\$ 431.55
\$ 1.47	SM	1,005,530.30	1,592,747.00	\$ 2,341,338.09	\$ 1.47		13,529.49	18,686.00	\$ 27,468.42
\$ 2.80	SM	26,312.88	99,150.00	\$ 277,620.00	\$ 2.80	SM	0.88	100.00	\$ 280.00
\$ 1.17	SM	84,621.49	115,379.00	\$ 134,993.43	\$ 1.17	SM	11.00	120.00	\$ 140.40
\$ 1.15	SM	15,494.63	20,118.00	\$ 23,135.70	\$ 1.15	SM	0.00	23.00	\$ 26.45
\$ 0.89	SM	301,225.35	466,834.00	\$ 415,482.26	\$ 0.89	SM	2,592.13	4,817.00	\$ 4,287.13
\$ 1.08	SM	122,216.77	190,866.00	\$ 206,135.28	\$ 1.08	SM	86.56	189.00	\$ 204.12
\$ 1.20	CM	141,855.00	227,229.30	\$ 170,226.00	\$ 1.20	CM	11,353.00	-	\$ 13,623.60
\$ 2.15	CM	54,523.81	89,910.50	\$ 117,226.19	\$ 2.15	CM	562.44	5,294.52	\$ 1,209.25
\$ 1.29	CM	1,202,494.00	2,341,629.00	\$ 1,551,217.26	\$ 1.29	CM	13,011.00	27,210.00	\$ 16,784.19
\$ 1.39	CM	85,131.00	153,850.00	\$ 118,332.09	\$ 1.39	CM	1,628.00	3,411.00	\$ 2,262.92
\$ 1.26	SM	102,181.61	193,154.00	\$ 243,374.04	\$ 1.26	SM	3,410.07	5,880.00	\$ 7,408.80
\$ 1.28	CM	43,275.00	66,185.48	\$ 55,392.00	\$ 1.28	CM	0.00	74.78	\$ -
\$ 3.73	CM	781,276.87	1,246,250.87	\$ 2,917,911.88	\$ -		0.00	-	\$ -
\$ 5.49	CM	8,334.21	15,763.14	\$ 45,789.99	\$ 99.58	CM	230.36	426.46	\$ 22,937.87
\$ 1.05	CM	526,793.00	817,478.15	\$ 553,132.65	\$ 1.05	CM	5,458.00	11,139.52	\$ 5,730.90
\$ 0.99	SM	76,615.08	123,146.00	\$ 121,914.54	\$ 0.99	SM	0.00	4.00	\$ 3.96
\$ 1.27	CM	353,393.00	564,101.01	\$ 448,809.11	\$ 1.27	CM	17,269.00	29,896.55	\$ 21,931.63
\$ 0.93	SM	10,967.43	15,947.00	\$ 14,830.71	\$ 0.93	SM	19.10	29.00	\$ 26.97
\$ 1.26	SM	4,921.06	7,873.00	\$ 9,919.98	\$ 1.26	SM	4.84	12.00	\$ 15.12
\$ 0.99	SM	9,600.96	15,199.00	\$ 15,047.01	\$ 0.99	SM	0.00	10.00	\$ 9.90
		20,149,227.54		\$ 37,517,339.09			426,775.46		\$ 1,363,565.26

TRS Conversation Minutes	20,149,227.54
STS Conversation Minutes	426,775.46
Total Minutes:	20,576,003.01
Additional State Payments	\$ 2,897,010.64
TRS Revenue	\$ 37,517,339.09
STS Revenue	\$ 1,363,565.26
Total Revenue:	\$ 41,777,914.99
Proposed Rate:	\$ 2.0304

Data from Certified State Programs
CTS intrastate Compensation

Exhibit 1-2

TRS Per Minute Intrastate Compensation Rate	Session or Conversation	Total Intrastate Conversation Minutes	Total Intrastate Session Minutes	Product of Compensation Rate and Minutes
\$ 1.45	SM	77,084.00	92,386.00	\$ 133,959.70
\$ 1.60	SM	452,535.00	542,998.00	\$ 868,796.80
\$ 1.55	SM	14,870.07	16,481.00	\$ 25,545.55
\$ 1.81	CM	52,704.21	58,509.96	\$ 95,341.92
\$ 1.78	CM	514,601.49	569,273.83	\$ 915,476.04
\$ 1.63	CM	255,426.99	308,731.85	\$ 416,345.99
\$ 1.85	CM	3,425,621.00	3,954,981.04	\$ 6,337,398.85
\$ 1.44	SM	412,971.00	477,027.00	\$ 686,918.88
\$ 1.51	SM	400,767.00	461,348.00	\$ 696,635.48
\$ 1.45	SM	467,096.87	548,484.00	\$ 795,301.80
\$ 1.57	SM	16,319.09	52,834.00	\$ 82,949.38
\$ 1.39	SM	7,753.31	8,579.40	\$ 11,925.37
\$ 1.47	SM	806,243.00	944,108.00	\$ 1,387,838.76
\$ 1.54	SM	1,061,482.00	1,241,669.00	\$ 1,912,170.26
\$ 1.52	SM	127,755.13	149,161.23	\$ 226,725.07
\$ 1.59	SM	377,369.46	447,120.06	\$ 710,920.90
\$ 1.90	SM	48,697.00	59,817.00	\$ 113,652.30
\$ 1.68	SM	48,813.00	59,349.00	\$ 99,706.32
\$ 1.76	CM	38,213.00	44,543.64	\$ 67,254.88
\$ 1.71	CM	90,870.00	104,924.00	\$ 155,387.70
\$ 1.76	CM	995,970.00	1,156,557.00	\$ 1,752,907.20
\$ 1.49	SM	778,334.00	900,101.00	\$ 1,341,150.49
\$ 1.58	SM	168,316.00	193,182.00	\$ 305,227.56
\$ 1.55	SM	364,661.71	410,656.00	\$ 636,516.80
\$ 1.54	SM	81,281.55	94,366.00	\$ 145,323.64
\$ 1.57	SM	164,689.24	190,591.00	\$ 299,227.87
\$ 1.80	CM	361,016.00	420,234.00	\$ 649,828.80
\$ 1.56	SM	73,940.50	84,393.82	\$ 131,654.36
\$ 1.54	SM	183,649.43	220,193.43	\$ 339,097.88
\$ 2.64	CM	137,593.56	363,787.52	\$ 363,787.52
\$ 1.69	SM	139,525.80	166,658.00	\$ 281,652.02
\$ 1.72	SM	192,631.72	230,600.00	\$ 396,632.00
\$ 1.69	CM	393,925.33	464,794.10	\$ 665,733.81
\$ 1.64	CM	417,705.00	489,605.00	\$ 685,036.20
\$ 1.80	CM	407,305.00	479,357.00	\$ 733,149.00
\$ 1.82	SM	263,516.34	318,393.73	\$ 579,476.59
\$ 1.52	SM	403,982.44	471,710.61	\$ 717,000.13
\$ 1.78	CM	109,082.00	127,376.20	\$ 194,165.96
\$ 1.79	CM	255,264.00	299,774.41	\$ 456,922.56
\$ 1.50	SM	122,613.00	145,081.00	\$ 217,621.50
\$ 1.60	SM	127,857.00	151,779.00	\$ 242,846.40
\$ 1.40	SM	91,740.02	105,744.00	\$ 148,041.60
\$ 1.72	SM	974,000.15	1,126,084.00	\$ 1,936,864.48

Data from Certified State Programs
CTS intrastate Compensation

Exhibit 1-2

TRS Per Minute Intrastate Compensation Rate	Session or Conversation	Total Intrastate Conversation Minutes	Total Intrastate Session Minutes	Product of Compensation Rate and Minutes
\$ 1.54	SM	91,674.30	109,984.00	\$ 169,375.36
\$ 1.62	SM	81,992.26	97,929.00	\$ 158,644.98
\$ 1.61	CM	1,372,032.00	1,590,461.00	\$ 2,208,971.52
\$ 1.69	CM	1,348,775.00	1,562,480.00	\$ 2,279,429.75
\$ 1.45	SM	1,418,984.50	1,643,142.34	\$ 2,382,556.39
\$ 1.66	SM	51,671.85	63,151.93	\$ 104,832.20
\$ 1.49	SM	1,536,755.03	1,784,188.63	\$ 2,658,441.06
\$ 1.45	SM	302,171.00	349,549.00	\$ 506,846.05
\$ 1.52	SM	68,612.00	79,423.00	\$ 120,722.96
\$ 1.82	CM	888,755.00	1,034,801.96	\$ 1,617,534.10
\$ 1.60	SM	656,695.20	752,478.00	\$ 1,203,964.80
\$ 1.63	SM	698,526.13	803,965.00	\$ 1,310,462.95
\$ 1.63	SM	119,948.87	141,411.00	\$ 230,499.93
\$ 1.45	SM	820,976.90	971,505.00	\$ 1,408,682.25
\$ 1.60	SM	182,279.29	208,288.00	\$ 333,260.80
\$ 1.87	CM	722,494.50	834,341.00	\$ 1,351,064.72
\$ 1.29	CM	1,551,028.00	1,791,452.00	\$ 2,000,826.12
\$ 1.79	CM	151,691.00	174,954.00	\$ 271,526.89
\$ 1.57	SM	182,850.08	225,186.00	\$ 353,542.02
\$ 1.86	CM	104,999.00	122,264.63	\$ 195,298.14
\$ 1.72	SM	513,838.12	594,936.04	\$ 1,020,315.31
\$ 1.82	CM	500,299.00	573,529.71	\$ 910,544.18
\$ 1.52	SM	200,552.90	222,022.00	\$ 337,473.44
\$ 1.77	CM	913,529.00	1,004,802.04	\$ 1,616,946.33
\$ 1.45	CM	8,000.00	9,411.27	\$ 11,600.00
\$ 1.72	CM	18,179.00	21,767.70	\$ 31,267.88
\$ 1.58	SM	16,812.67	20,245.00	\$ 31,987.10
\$ 1.59	SM	31,570.00	37,757.00	\$ 60,033.63
30,461,485.01			\$ 53,846,767.17	

CTS Conversation Minutes

30,461,485.01

Total:

30,461,485.01

Additional State Payments

\$ 162,486.64

CTS Revenue

\$ 53,846,767.17

Total:

\$ 54,009,253.81

Proposed Rate:

\$ 1.7730

IP Relay Average Cost
Per Minute Data

Exhibit 1-3

Category	2010	2011	2012	2013
Facilities	\$ 0.0385	\$ 0.0385	\$ 0.0559	\$ 0.0659
CA Related	\$ 0.2933	\$ 0.2539	\$ 0.3712	\$ 0.3791
Non-CA Relay Center	\$ 0.0658	\$ 0.0681	\$ 0.1017	\$ 0.1105
Indirect	\$ 0.1988	\$ 0.1471	\$ 0.2389	\$ 0.2704
Depreciation	\$ 0.0388	\$ 0.0303	\$ 0.0424	\$ 0.0496
Marketing	\$ 0.0294	\$ 0.0147	\$ 0.0225	\$ 0.0263
Outreach	\$ 0.0431	\$ 0.0128	\$ 0.0333	\$ 0.0401
Other	\$ 0.3708	\$ 0.3598	\$ 0.2147	\$ 0.2129
Return on Investment	\$ 0.0150	\$ 0.0124	\$ 0.0152	\$ 0.0136
Total Cost	\$ 1.0935	\$ 0.9376	\$ 1.0958	\$ 1.1684

All Providers
History of Actual Demand

Exhibit 1-4

Data_Month	individual trend Sum Of Total IPCTV Minutes	% change over prior month
1/31/2009	99,005	
2/28/2009	98,035	-1%
3/31/2009	153,566	57%
4/30/2009	141,122	-8%
5/31/2009	147,321	4%
6/30/2009	165,363	12%
7/31/2009	174,788	6%
8/31/2009	187,839	7%
9/30/2009	210,209	12%
10/31/2009	261,098	24%
11/30/2009	355,377	36%
12/31/2009	419,781	18%
1/31/2010	515,898	23%
2/28/2010	556,923	8%
3/31/2010	651,314	17%
4/30/2010	645,231	-1%
5/31/2010	691,889	7%
6/30/2010	774,024	12%
7/31/2010	821,980	6%
8/31/2010	951,610	16%
9/30/2010	994,387	4%
10/31/2010	1,085,274	9%
11/30/2010	1,195,356	10%
12/31/2010	1,353,736	13%
1/31/2011	1,575,894	16%
2/28/2011	1,610,429	2%
3/31/2011	1,945,683	21%
4/30/2011	1,954,813	0%
5/31/2011	2,058,468	5%
6/30/2011	2,242,747	9%
7/31/2011	2,334,783	4%
8/31/2011	2,637,385	13%
9/30/2011	2,676,370	1%
10/31/2011	2,944,334	10%
11/30/2011	3,201,686	9%
12/31/2011	3,564,849	11%
1/31/2012	3,984,821	12%
2/29/2012	4,048,521	2%

Internet Protocol (IP)
 2012 - 2013 Fund Year
 Price Cap Rate

Exhibit 1-5

2011 - 2012 IP Base Rate					2012 - 2013 IP Base Rate				
\$	1.2920	X	(1.000 - 0.005)	=	\$	1.2855			
\$	1.2920	X	0.995	=	\$	1.2855			

Interstate TRS Fund Size and Contribution Factor
for July 2012 through June 2013 Fund Year

Exhibit 2

Service	Methodology	Projected 2011- 2012 demand	% change	Projected 2012- 2013 Demand	proposed rate	Projected Requirement	Fund Requirement	Prior year Fund Budget	% change
Traditional TRS	MARS	5,639,716	-37%	3,525,597	\$ 2.0304	\$7,158,440		\$10,434,603	-31%
Speech to Speech	MARS	184,323	-17%	152,101	\$ 2.0304	\$308,829		\$549,504	-44%
STS outreach				152,101	\$ 1.1310	\$172,026		\$20,961,889	-99%
Caption Telephone	MARS	12,049,833	-13%	10,427,773	\$ 1.7730	\$18,488,798		\$64,243,508	-71%
IP Caption Telephone	MARS	36,930,046	95%	72,003,159	\$ 1.7730	\$127,664,061		\$45,006,180	184%
Subtotal MARS:		54,803,918	57%	86,260,731		\$153,792,155	\$153,792,155		
IP Relay	Price Cap	51,566,205	-40%	30,775,976	\$ 1.2855	\$39,563,748	\$39,563,748	\$66,623,537	-41%
VRS									
Tier 1	FCC PN	4,196,695	0%	4,189,489	\$ 6.2390	\$26,138,222		\$26,183,180	0%
Tier 2	FCC PN	17,927,230	-1%	17,775,152	\$ 6.2335	\$110,801,410		\$111,749,388	-1%
Tier 3	FCC PN	83,847,532	6%	88,985,503	\$ 5.0668	\$450,871,747		\$424,975,479	6%
Subtotal VRS:		105,971,457	5%	110,950,144		\$587,811,378	\$587,811,378		
Projected Provider Payments		212,341,580	7%	227,986,851		\$781,167,281			
Deaf Blind Equipment Distribution Program						\$10,000,000		\$10,000,000	0%
Service Provider Audits						\$3,600,000		\$0	NA
TRS Fund Administration						\$1,039,027		\$965,000	8%
iTRS database Administration						\$415,000		\$385,000	8%
Investment Fees						\$85,000		\$0	NA
Data Collection Agent						\$60,000		\$60,000	0%
independent financial audit						\$50,000		\$50,000	0%
Bankruptcy representation						\$50,000		\$0	NA
Council Meeting Expenses						\$45,000		\$55,000	-18%
IPERA testing						\$25,000		\$0	NA
Single month provider Payment Reserve						\$65,097,273		\$64,227,272.33	1%
Non-Provider Subtotal:						\$80,466,300	\$80,466,300	\$75,742,272	6%
Grand Total Requirements:							\$861,633,582	\$922,211,813	-7%
estimated fund balance at 6/30/2012							(\$150,000,000)	(\$58,165,862)	158%
estimated interest on fund investments							(\$250,000)	(\$240,000)	4%
Estimated FY 2012-2013 Cash Requirements:						\$711,383,582		\$863,805,951	-18%
Estimated Funding Base *						\$67,579,472,013		\$69,600,083,890	-3%
Contribution Factor						0.01053		0.01058	-1%

* based on data reported by the DCA

Interstate TRS Fund
Reporting and Distribution Schedule

Exhibit 3

	Minutes from Month	Minutes from Months for which a Replacement Filing will be accepted	Report On or Before	Disbursement Date
2012				
	January	October, November, December	2/14/2012	3/20/2012
	February	November, December, January	3/14/2012	4/20/2012
	March	December, January, February	4/13/2012	5/21/2012
	April	January, February, March	5/14/2012	6/20/2012
	May	February, March, April	6/14/2012	7/20/2012
	June	March, April, May	7/16/2012	8/20/2012
	July	April, May, June	8/14/2012	9/20/2012
	August	May, June, July	9/17/2012	10/22/2012
	September	June, July, August	10/15/2012	11/20/2012
	October	July, August, September	11/14/2012	12/20/2012
	November	August, September, October	12/14/2012	1/21/2013
	December	September, October, November	1/14/2013	2/20/2013
2013				
	January	October, November, December	2/14/2013	3/20/2013
	February	November, December, January	3/14/2013	4/22/2013
	March	December, January, February	4/12/2013	5/20/2013
	April	January, February, March	5/14/2013	6/20/2013
	May	February, March, April	6/14/2013	7/22/2013
	June	March, April, May	7/15/2013	8/20/2013
	July	April, May, June	8/14/2013	9/20/2013
	August	May, June, July	9/16/2013	10/21/2013
	September	June, July, August	10/15/2013	11/20/2013
	October	July, August, September	11/15/2013	12/20/2013
	November	August, September, October	12/13/2013	1/21/2014
	December	September, October, November	1/14/2014	2/20/2014
2014				
	January	October, November, December	2/14/2014	3/20/2014
	February	November, December, January	3/14/2014	4/22/2014
	March	December, January, February	4/14/2014	5/20/2014
	April	January, February, March	5/14/2014	6/20/2014
	May	February, March, April	6/13/2014	7/22/2014
	June	March, April, May	7/15/2014	8/20/2014
	July	April, May, June	8/14/2014	9/22/2014
	August	May, June, July	9/15/2014	10/21/2014
	September	June, July, August	10/15/2014	11/20/2014
	October	July, August, September	11/17/2014	12/22/2014
	November	August, September, October	12/12/2014	1/20/2015
	December	September, October, November	1/14/2015	2/20/2015
2015				
	January	October, November, December	2/13/2015	3/20/2015
	February	November, December, January	3/13/2015	4/20/2015
	March	December, January, February	4/14/2015	5/20/2015
	April	January, February, March	5/14/2015	6/22/2015
	May	February, March, April	6/12/2015	7/20/2015

Interstate TRS Fund
Reporting and Distribution Schedule

Exhibit 3

	Minutes from Month	Minutes from Months for which a Replacement Filing will be accepted	Report On or Before	Disbursement Date
	June	March, April, May	7/15/2015	8/20/2015
	July	April, May, June	8/14/2015	9/21/2015
	August	May, June, July	9/15/2015	10/20/2015
	September	June, July, August	10/15/2015	11/20/2015
	October	July, August, September	11/16/2015	12/21/2015
	November	August, September, October	12/14/2015	1/20/2016
	December	September, October, November	1/14/2016	2/22/2016
2016				
	January	October, November, December	2/12/2016	3/21/2016
	February	November, December, January	3/14/2016	4/20/2016
	March	December, January, February	4/14/2016	5/20/2016
	April	January, February, March	5/13/2016	6/20/2016
	May	February, March, April	6/14/2016	7/20/2016
	June	March, April, May	7/15/2016	8/22/2016